PARLIAMENTARY DEBATES

(HANSARD)

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HOUSE OF COMMONS

OFFICIAL REPORT

FIRST SESSION OF THE FIFTY-FIFTH PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
SIXTIETH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2010–2012

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THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-FIFTH PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 18 MAY 2010]

SIXTIETH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 534**

TWENTY-FIFTH VOLUME OF SESSION 2010-2012

House of Commons

Monday 24 October 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

Youth Unemployment

1. **Robert Halfon** (Harlow) (Con): What steps he is taking to reduce youth unemployment. [75984]

2. **Mel Stride** (Central Devon) (Con): What steps he is taking to reduce youth unemployment. [75985]

5. **Nick Smith** (Blaenau Gwent) (Lab): What his approach is to tackling youth unemployment. [75988]

13. **Karl McCartney** (Lincoln) (Con): What steps he is taking to reduce youth unemployment. [75996]

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): It is good to see so many people in the Chamber who have discovered an interest in work and pensions.

Work experience and apprenticeships are central to improving the prospects of young unemployed people. We are making up to 100,000 work experience placements available and strengthening the links between the work experience programme and apprenticeships. We are also providing additional Jobcentre Plus help for 16 and 17-year-old jobseeker's allowance claimants and offering earlier entry into the Work programme. It is worth reminding ourselves that of the 991,000 16 to 24-year-olds who are unemployed under the International Labour Organisation measure, 270,000 are full-time students. Finally, my hon. Friend the Member for Harlow (Robert Halfon) will be aware that Harlow is one of the Government's new enterprise zones.

Robert Halfon: I am, of course, delighted that Harlow is an enterprise zone. Does my right hon. Friend agree that one way of cutting youth unemployment is to encourage Government contractors to hire apprentices? Figures from the House of Commons Library show that if just one apprentice was hired for every £1 million of public procurement, it would instantly create 238,000 apprenticeships and cut youth unemployment by a quarter.

Mr Duncan Smith: My hon. Friend is right. Under the new arrangements, suppliers must provide an apprenticeships and skills report within six months of the contract start date. The idea is that they will periodically show their progress towards meeting a commitment to employ 5% of apprentices in delivering the Department for Work and Pensions contract to which they are entitled. Work programme providers will be paid primarily for the results that they achieve, which means that they will be under pressure to do a similar thing.

Mel Stride: My right hon. Friend will be aware that under the previous Government, youth unemployment rose by 40%. Will he reassure the House that the measures he has just outlined will ensure that under this Government we do not have a repeat of that shameful record?

Mr Duncan Smith: My hon. Friend is right that youth unemployment rose from about 2004, regardless of a growing economy. One problem was that when the previous Government came to power, there was a guaranteed training place for all 16 to 18-year-olds,

which they scrapped. That was one of the worst, most short-sighted decisions that any Government have ever made.

Nick Smith: Youth unemployment in Blaenau Gwent grew by a massive 12.8% last year. The Centre for Economic and Social Inclusion has highlighted the benefits of the future jobs fund, which helped 500 young people in my constituency. Will the Secretary of State look at bringing back the future jobs fund, given the current crisis of youth unemployment?

Mr Duncan Smith: As the hon. Gentleman should know, we made a commitment to complete the placements that had been committed to until March. That meant that there were nearly 64,000 additional places under the future jobs fund, bringing the total to 105,000 places. We believe that the future jobs fund was an expensive way to try to get people into employment. Almost half of those who went in have ended up back on benefits.

Karl McCartney: Is my right hon. Friend aware of research by the Chartered Institute of Personnel and Development which suggests that only 12% of employers planned to recruit school leavers aged 16 in the three months to September 2011, and that just 15% intended to recruit school leavers aged 17 to 18? That issue was raised during my visit to Lincoln college on Friday. I suspect that he is as concerned as I am by those statistics. Will he tell the House what the Government will do to encourage employers to invest further in our youth?

Mr Duncan Smith: We are talking a lot to employers about that problem. My hon. Friend is right about it. I return to the answer that I gave my hon. Friend the Member for Central Devon (Mel Stride) about ending the training scheme. That really affected 16 to 17-year-olds. I have brought in the £30 million innovation fund to look at ways in which we can give people approaching the age of 16 better skills for the work force. Employers have told us that many people who leave school at that age are simply not ready for work. We have allowed jobcentres to work with many of those people to get them ready for work. My hon. Friend the Member for Lincoln (Karl McCartney) is absolutely right that this matter is a priority for us.

Mr Liam Byrne (Birmingham, Hodge Hill) (Lab): Youth unemployment is now the highest it has ever been. Does the Secretary of State agree with the Chancellor that Britain is now "a safe haven"?

Mr Duncan Smith: I am not quite sure what the right hon. Gentleman's linkage is in that question. Youth unemployment is high now, which is deeply regrettable, but he needs to take some responsibility for that. We have to remember that when we came into power, after a period of growth before the recession, the level of youth unemployment was higher under the last Government than the level that they inherited back in 1997. Frankly, his lectures on youth unemployment are like crocodile tears in the desert.

Mr Byrne: Since this Government have taken office, they have closed the future jobs fund and shut down the flexible new deal, and replaced them with a youth work scheme that costs less than the Department spends on stationery and guarantees interviews, not jobs, and with a Work programme that turns out on closer inspection to be all programme and no work. Meanwhile, youth unemployment is going through the roof.

I looked for the Department's flagship youth unemployment policy on its website this morning, and what does it say?

"Page not found. The page you are looking for may have been removed or moved to the National Archives."

So much for the priority that the Government gave to youth employment.

The last time unemployment was this high, it was not the hon. Member for Altrincham and Sale West (Mr Brady) who was trying to bring down the Government over Europe but the Secretary of State himself, the commander-in-chief of the Maastricht rebels. Instead of today's debate, on which the Prime Minister has wasted so much time, should we not be having a debate about how we put a proper tax on bankers' bonuses to get 100,000 young people back to work?

Mr Duncan Smith: I must say, the right hon. Gentleman coming up with the wrong page suggests more about his ability to negotiate the website than about the Department.

I repeat to the right hon. Gentleman what I said before: it is time the Opposition took responsibility for the mess that they got us in before we took over. Since we walked through the door we have had in place work clubs, work experience, apprenticeship offers, sector-based work academies, the innovation fund, European social fund support, the skills offer, the access to apprenticeships programme, Work Together, the Work programme, Work Choice, mandatory work activity and Jobcentre Plus. He has to recognise that under Labour's watch, youth unemployment rose to a level higher than that at which they found it in 1997. It was a disgrace.

Multiple Sclerosis Sufferers

3. **David Morris** (Morecambe and Lunesdale) (Con): What steps he is taking to encourage people with multiple sclerosis to return to work. [75986]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): The Government are committed to ensuring that individuals with conditions such as multiple sclerosis have the support that they need to find, and remain in, work. A comprehensive range of work support for individuals with serious fluctuating conditions is provided through the Work programme, Work Choice and Access to Work.

David Morris: I thank my hon. Friend for that answer. May I convey the wishes of my constituents in the local MS society for there to be better ways forward than those provided under the previous Government?

Maria Miller: I agree that the work of the Multiple Sclerosis Society is to be applauded, and I am sure that the Lancaster, Morecambe and district branch will join many other organisations in welcoming the measures in the Welfare Reform Bill, which is currently in the other place, including universal credit. Those measures will address the unacceptable imbalances inherent in the

current welfare system, to ensure that people suffering from fluctuating conditions such as MS cannot be written off to a lifetime of dependency in future.

Mrs Anne McGuire (Stirling) (Lab): Department for Work and Pensions research on disability living allowance in work has indicated that those receiving DLA are, on average, more severely impaired than others and have a greater likelihood of multiple disabilities, including mental health conditions. Additionally, they are disadvantaged in the labour market because of the types of their impairment, and carry the greatest employment disadvantage.

The new personal independence payment assessment has been criticised by 23 leading disability organisations as being too medicalised and not taking into account the social and environmental barriers that disadvantage disabled people in the jobs market. Will the Minister share with us just how many disabled people she expects to get back into work as a result of her DLA proposals, given that the only figure that we have on the record is that the Government want to make a 20% cut to the DLA budget?

Maria Miller: I am somewhat surprised that the right hon. Lady tries to link disability living allowance to returning to work, given that in the past she has held the position that I hold now. It is absolutely clear that DLA, and indeed the PIP, which will take over from it, are not linked to work. I should think we would want to make that clear to people who are listening to these questions.

Stephen Lloyd (Eastbourne) (LD): A recent report by the Work Foundation found that up to 44% of people in the UK with MS retire early due to their condition, a higher percentage than the European average of just 35%. What plans does the Minister have to support individuals with MS to stay in the work force once they are in employment?

Maria Miller: I thank my hon. Friend for that question. I know that he does a lot of work in this area, and I welcome his contribution. He will be aware that through the Sayce recommendations, we are specifically considering how we can increase the role of Access to Work. That could have a particularly positive impact on people with MS. We already have a budget of some £105 million supporting about 35,000 people through Access to Work, and the Sayce recommendations indicate that the number could be doubled if there is a reprioritisation of how Government money is used.

Work Programme

4. **Dame Anne Begg** (Aberdeen South) (Lab): If he will publish monthly information on the number of people successfully placed in jobs by Work programme contractors and the cost per job outcome. [75987]

The Minister of State, Department for Work and Pensions (Chris Grayling): We are working to guidelines set by the UK Statistics Authority to ensure we publish statistics that meet high-quality standards at the earliest opportunity. Statistics on referrals and attachments to the Work programme will be published from spring 2012 and job outcome data from autumn 2012. We will also publish the average cost per job outcome for claimants who have been on the programme for 24 months as part of our transparency indicators.

Dame Anne Begg: I have to say that I am very, very disappointed with that reply. I cannot understand why it will be more than 12 months before the Government produce statistics on job outcomes and the cost per job. After eight months of the future jobs fund, we had the statistics on job outcomes for the first four months of the scheme. I cannot see why the Government should take any longer than that. What do they have to hide?

Chris Grayling: I have the utmost respect for the hon. Lady, but she needs to look again at how the Work programme works. We are not making an outcome payment to providers for six months. That is a really good deal for the taxpayer, because before providers can receive payment, they must ensure not simply that that have got somebody into work for a week to boost statistics, but that they keep them in work for a sustained period. The Government cannot produce robust statistics under the guidance produced by the UK Statistics Authority if we try to do so earlier.

Charlie Elphicke (Dover) (Con): Is not the key point about the Work programme that payment by results and packages tailored to individual needs are likely to make the cost per successful job outcome lower, and the number of jobs achieved higher?

Chris Grayling: My hon. Friend is absolutely right. The whole point of the Work programme is real investment in the long-term unemployed. Providers will take the requisite time to get them into work, but the Government will pay the bill only when people are successfully in long-term employment. That is a much better deal than under previous schemes from the previous Government. He is right that the Work programme is a much better deal for the taxpayer.

Stephen Timms (East Ham) (Lab): The Minister for the Cabinet Office and Paymaster General says that openness and transparency on public services data will be a

"core part of every bit of government business",

so why not this bit of Government business? Why is the Minister not only refusing to publish performance data but banning Work programme providers from publishing their own data, as many did under the new deal and would like to do now? He is threatening to withdraw their contracts if they publish that data. What is he trying to hide, and will he at least lift that ban?

Chris Grayling: The right hon. Gentleman clearly was not listening to the answer I gave a moment ago, but he would also do well to remember that his Government set up the current rules on national statistics. He would surely want statistics to be published properly and in an appropriate time frame, under the guidance of the UK Statistics Authority. I do not believe in giving information out haphazardly. Let us do it properly, according to the guidance and process he set up when he was in government.

Credit Unions

6. **Jesse Norman** (Hereford and South Herefordshire) (Con): What steps his Department is taking to support access to lending from credit unions. [75989]

10. **Jeremy Lefroy** (Stafford) (Con): What steps his Department is taking to support access to lending from credit unions. [75993]

The Minister of State, Department for Work and Pensions (Steve Webb): Since 2006, the Department has spent more than £100 million through its growth fund to encourage credit unions. In addition, since March this year, a further £11.8 million has been invested. The Department is now conducting a study into how best we can support credit unions and will report shortly.

Jesse Norman: Only 2% of people in this country are members of credit unions such as the excellent Money Box in my constituency, compared with 44% of people in the United States. What role can Jobcentre Plus play in helping credit unions to reach more people?

Steve Webb: I pay tribute to my hon. Friend for his involvement with the all-party group on credit unions and his commitment to the cause. Jobcentre Plus is keen to work closely with credit unions, and we are currently piloting a scheme in Manchester and Newcastle in which jobcentres share office space to see whether they can assist credit unions at a local level.

Jeremy Lefroy: I declare an interest as a member of the Staffordshire credit union. For more lending, we need more saving. What steps are the Government taking to encourage payroll saving in credit unions?

Steve Webb: The process of long-term saving through auto-enrolment in workplace pensions is imminent, but there has been a big growth in workplace coverage of occupational workplace individual savings accounts, which is an encouraging development. We are looking to see what more we can do to encourage that trend.

Chris Leslie (Nottingham East) (Lab/Co-op): Many who use credit unions also need help to access credit advice. What is the Minister doing to help those who will lose out when he scraps the £27 million financial inclusion fund from next March?

Steve Webb: One of the things we are looking at as part of our feasibility study on the future of credit unions is their crucial role in supporting people who need financial advice and assistance. That work will report back to the Department next month.

Mrs Madeleine Moon (Bridgend) (Lab): I declare an interest as one of the almost 3,000 members of the Bridgend Lifesavers credit union, which has loans of more than £500,000 but savings of £1 million and is keeping people out of the hands of doorstep loan sharks and the sadly growing numbers of pawnbrokers on our high streets. What can we do to ensure that people see credit unions, rather than doorstep loan sharks, as the way to save and borrow?

Steve Webb: I welcome the hon. Lady's endorsement of credit unions, and I am pleased to say that, last week, the House of Lords approved the legislative reform order that will pave the way for credit unions to expand. My hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman) asked about the difference between the USA and the UK. One of those differences is that many of our credit unions are small and have not been able to stand on their own two feet and become viable. We are determined to enable them to become viable so that they can perform the functions that she set out.

Work Capability Assessment

7. **Mrs Mary Glindon** (North Tyneside) (Lab): When he plans to bring forward new work capability assessment descriptors for mental health and fluctuating conditions. [75990]

The Minister of State, Department for Work and Pensions (Chris Grayling): We have received suggested descriptors for mental, cognitive and intellectual function from Professor Harrington's working group. Given that they represent a substantial departure from how the current assessment works, we are considering what impact they will have and will come forward with proposals soon. We have not yet received any recommendations from Professor Harrington's separate working group on fluctuating conditions.

Mrs Glindon: In July the Minister received recommendations for changes to the mental health descriptors from Mind, the National Autistic Society and Mencap, and although he says that the Government will be bringing forward proposals shortly, will he specify when those changes will be implemented?

Chris Grayling: The challenge facing us is that the recommendations will involve a complete change of the work capability assessment, not simply for mental health issues, but for physical issues, and is therefore a multi-year project. We are considering whether we can incorporate elements of the recommendations into the current approach much more quickly. I am concerned to ensure that we do the right thing by people with mental health conditions, and I want to ensure that we take any sensible steps as quickly as possible.

Tony Baldry (Banbury) (Con): Will my right hon. Friend confirm that our approach should focus on what can be done to help people back into the world of work and on helping them with what they can do, rather than on any scintilla of a suggestion of people being punished for what they cannot do?

Chris Grayling: My hon. Friend is absolutely right. This is a crucial point. We are not trying to do people down, but looking to help those with the potential to make more of their lives to do so. The assessment is all about working out who has the potential to get back into the workplace, and through the Work programme, we can deliver the specialist support that they need to do so.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): This morning I met members of Headway East London concerned about the impact of this situation on people who are looking for work but feel that they

are being penalised when they find it and then cannot cope with it. They talked about the chaos of the benefits system. When will the Minister be coming forward with these proposals and reassuring my constituents that they will be in a better position?

Chris Grayling: We are taking significant steps to sort out the problems to which the hon. Lady refers. The introduction of the universal credit in 2013 will completely transform how our benefits system works. It will be much easier for people with disabilities to move back into work step by step—initially, perhaps, by doing a few hours' work and then by entering part-time and then full-time employment. It will transform their prospects.

Jenny Willott (Cardiff Central) (LD): Given Atos Healthcare's past performance, no one has faith in the ability of the current work capability assessment or Atos fairly to assess fluctuating conditions in particular. Will the Minister work with Atos to ensure that the new descriptors are implemented as soon as possible and that Atos staff receive additional training to improve their performance and restore the faith of claimants and the general public in the assessment process?

Chris Grayling: I will have to wait and see what the recommendations are, but as a result of Professor Harrington's first report, it is now decision makers in Jobcentre Plus who take the decision about an individual. I have told charitable groups representing people with a variety of conditions that the door is open to them to brief, train and discuss with those decision makers the issues facing such people so that they are as well informed as possible.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): Last week I met representatives of the Royal National Institute of Blind People, who expressed concerns about the descriptors attached to vision. Will the Minister meet the RNIB and other representatives of blind and partially sighted people to address those concerns so that we have vision descriptors that are fit for purpose?

Chris Grayling: I have regular meetings with groups representing not just blind people, but those with various disabilities, and I will continue to do so. The object of the exercise is to help those who are blind or visually impaired back into work. Surely it is much better to find them a place in the workplace than leave them on benefits for the rest of their lives.

Unemployment

8. **Bill Esterson** (Sefton Central) (Lab): What assessment he has made of the factors underlying recent trends in the level of unemployment. [75991]

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): Although unemployment is up by about 79,000 since the election, employment is slightly higher, at 29.1 million, and International Labour Organisation unemployment slightly lower, at 2.56 million, than the Office for Budget Responsibility thought it would be at this point. The total number claiming one of the main out-of-work benefits fell by about 25,000 over the last year to August. The number claiming incapacity benefit or lone parent benefits fell by nearly 140,000, while the number claiming jobseeker's allowance rose by 115,000 over the same period. Jobcentre Plus has taken 1 million new vacancies in the last three months and there are 460,000 unfilled vacancies at the moment, up 1,000 this quarter and 5,000 on the year.

Bill Esterson: The question was about unemployment, which is at its highest since the last Tory Government lost power. We have no growth, and we need it to cut unemployment and the deficit. Will the Secretary of State support measures such as a temporary VAT cut on home improvements, which is supported by 49 business organisations, including the Federation of Master Builders and the Federation of Small Businesses, and would create jobs in small businesses in the construction industry?

Mr Duncan Smith: I felt that I answered the question. The hon. Gentleman might not have liked the answer, but I none the less answered it.

We do not agree with the Opposition's suggestion of a VAT cut. It is also worth gently reminding the hon. Gentleman that he is part of a party that in government saw a huge rise in unemployment and stagnation of the economy, so before we get lessons and lectures from the Opposition, it would be nice for them to say, "We're sorry for the mess we left things in."

State Pension (Women)

9. **Fiona Bruce** (Congleton) (Con): What steps he is taking to help women who are most affected by the state pension age proposals contained in the Pensions Bill. [75992]

16. **Andrea Leadsom** (South Northamptonshire) (Con): What steps he is taking to help women who are most affected by the state pension age proposals contained in the Pensions Bill. [75999]

The Minister of State, Department for Work and Pensions (Steve Webb): We have amended the Pensions Bill so that women with the largest delay in receiving their state pension will find this delay reduced by six months.

Fiona Bruce: I thank the Minister for that reply, but what support is the Department offering to those who will have to work longer as a result of the revised state pension age timetable?

Steve Webb: Now that we will hopefully have certainty about the dates next week—subject to their lordships' approval—we will want to ensure that people know exactly when their retirement date is. We will write to 750,000 people shortly, so that they know where they stand, and all the services of Jobcentre Plus and the Work programme will be available to those who become long-term unemployed later in life.

Andrea Leadsom: I congratulate those on the Front Bench on changing their minds on this issue. A number of female constituents have written to me expressing enormous gratitude for the fact that we have changed

the position for the better. Does the Minister agree that this shows that we care about women in particular and, even more so, that Labour left us with such a mess that we are having to sort it out now and do things that we are not necessarily happy with?

Steve Webb: I am grateful to my hon. Friend. The change that we made—a commitment to ensuring that the changes are fair as they affect women—cost £1.1 billion. The difference between us and the Opposition is that their policy cost ten times as much and they had no idea where the money would come from.

Gregg McClymont (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): The Minister knows how important auto-enrolment is to ensuring that future generations retire on a decent pension, but the Government's Beecroft report on deregulation looms large on the horizon. Can the Minister reassure the House that whatever Beecroft recommends, no business large or small will be allowed to opt out from auto-enrolment?

Steve Webb: I congratulate the hon. Gentleman on his new role in the House. I much enjoyed his attempt to persuade the House last week that £11 billion was not very much if we divided it by 10 and by the national debt. In answer to his question about auto-enrolment, I can assure him that 2012 goes ahead as planned, as my right hon. Friend the Secretary of State said at the Dispatch Box last week.

Harrington Review

11. **Tom Greatrex** (Rutherglen and Hamilton West) (Lab/Co-op): What assessment he has made of progress towards implementation of the recommendations of the Harrington review of the work capability assessment. [75994]

The Minister of State, Department for Work and Pensions (Chris Grayling): We took steps earlier this year to ensure that all the recommendations in Professor Harrington's first report were implemented in time for the start of the national migration from incapacity benefit. I expect to receive Professor Harrington's second report, telling us how well he thinks we are doing on that front, shortly.

Tom Greatrex: Given the Minister's earlier comments, I am sure that he is well aware of the progressive and incurable nature of Parkinson's disease. A constituent of mine with Parkinson's has been called for his third work capability assessment, despite appealing the previous two incorrect decisions by Atos and the decision makers. Will the Minister undertake to meet me and Parkinson's UK, so that he can understand better how in practice the work capability assessment, rather than helping people who can work, too often hounds those who will not get better?

Chris Grayling: The hon. Gentleman has to understand that one of the great failings of our welfare state over the past decade has been that we have left people on the sidelines year after year without checking to see what their condition is or what the potential alternatives are. I am very happy to meet Parkinson's UK and the hon. Gentleman. I well understand the challenges that the disease presents for those who are unfortunate enough to suffer from it, but we cannot simply go back to a situation in which we leave people year after year without even checking what their condition is.

Right to Reside Test

12. **Priti Patel** (Witham) (Con): What assessment he has made of the potential effects on the payment of benefits of the reasoned opinion from the European Commission on the UK's right to reside test. [75995]

19. **Henry Smith** (Crawley) (Con): What assessment he has made of the potential effects on the payment of benefits of the reasoned opinion from the European Commission on the UK's right to reside test. [76002]

The Minister of State, Department for Work and Pensions (Chris Grayling): We accept our responsibility in supporting EU citizens who work here and pay their tax and national insurance, but it is clearly completely unacceptable that we should be asked to open our welfare system to people who have never worked in or contributed to the United Kingdom and who have no intention of doing so. We are considering all the details of the Commission's reasoned opinion, but we are absolutely committed to ensuring that the UK retains control of its welfare policies.

Priti Patel: I thank my right hon. Friend for his robust remarks. What steps is he taking to ensure that the UK is not burdened further by benefit tourism?

Chris Grayling: The best way for us to get the message across to the Commission about the need for change is to demonstrate that this is not a matter for the UK alone. I am therefore forging partnerships with my counterparts in other member states, most of whom have the same concerns. We have to make the Commission recognise that this kind of land grab of an area that should be a national competence is unacceptable. It has all kinds of political connotations, and the Commission must change its view.

Henry Smith: I thank my right hon. Friend for his previous answer. Can he tell us what steps his Department will be taking to monitor foreign nationals who are receiving UK benefits?

Chris Grayling: I can indeed. One of the things that surprised me most on taking office was the fact that the previous Administration had made no attempt whatever to identify how many people from overseas were receiving benefits. We are now doing that work. We aim to publish the results in the next few weeks, and we will aim to learn lessons from what we find.

Personal Independence Payments

14. **Simon Hughes** (Bermondsey and Old Southwark) (LD): What recent discussions he has had with organisations representing disabled people about the face-to-face assessment process for personal independence payments. [75997]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): Officials and I have met a broad range of disability organisations in relation to our proposals for the personal independence payment. We have also set up a dedicated group specifically to involve disabled people and their organisations in the design and operation of the new PIP process.

Simon Hughes: Two organisations representing blind people—Action for Blind People and Blind Aid—are based in my borough. One of the concerns that has come to the fore recently is that people who are registered blind, who are clearly blind and have been so for some time, should not have to present themselves to be checked when being assessed for their disability benefits. Can the Minister confirm that, where there is a clear, settled condition, there will be no need for people to be unsettled by having to prove again what is obvious to everyone?

Maria Miller: Although face-to-face consultations will be an important part of the personal independence payment for most people, I have made it clear throughout all the debates that they might not be appropriate for everyone, especially when there is sufficient evidence on which to make an assessment. It is important, however, to treat everyone as an individual, because there is a coincidence of multiple disability for many individuals.

Unemployment

15. **Ann Coffey** (Stockport) (Lab): What recent assessment he has made of the level of unemployment. [75998]

The Minister of State, Department for Work and Pensions (Chris Grayling): The latest figures published by the Office for National Statistics show 2.6 million unemployed, on the International Labour Organisation measure—a rate of 8.1% of the labour force.

Ann Coffey: The latest unemployment figures show that 35% of all jobseeker's allowance claimants in Stockport are from the most disadvantaged area in my constituency. Unemployed people from disadvantaged areas are likely to remain unemployed for longer, so what steps will the Minister take to ensure that disadvantage does not become further embedded in our community?

Chris Grayling: The structure of the Work programme will mean that, for the first time, we will be paying a higher rate for the help provided to those who come from more challenged backgrounds, in order to encourage providers to make an investment in helping them. That will be an important part of getting them back into the workplace. Under the previous Government's schemes, there was one flat rate for everyone, but our pricing structure reflects the real need to focus on people who are struggling in life.

Amber Rudd (Hastings and Rye) (Con): Does my right hon. Friend agree that one of the ways to reduce unemployment is to make sure that people set up new businesses? Does he agree that the new enterprise allowance, which we in Hastings and Rye welcome, should also be directed at both disadvantaged people and young people, to make sure that the widest possible number of people are able to set up in business?

Chris Grayling: I agree, and it is very much my hope that the new enterprise allowance will generate a significant boost to new enterprise, small businesses and self-employment in this country. In the way that it is structured, it is aimed at those who have been out of work for more than six months, so I hope it will deliver exactly what my hon. Friend hopes for, which is to support people who have potential but who face the greatest challenges in getting back into the workplace.

Lilian Greenwood (Nottingham South) (Lab): Young and disabled people are more likely to rely on public transport to get to work, yet the right hon. Gentleman's Government's policies are leading to cuts in bus services and unaffordable fare rises. How is that helping to get unemployment down?

Chris Grayling: When I listen to Labour Members bemoan the cutbacks, I am always astonished that they seem to fail to understand that it is down to the mismanagement of the previous Government that we are having to take these difficult decisions—and we are having to take many such decisions. They should be looking in the mirror in the morning and saying, "Whose fault is this really?"

Social Fund

17. **Ann McKechin** (Glasgow North) (Lab): What discussions he has had with the Scottish Government on the replacement of the social fund. [76000]

The Minister of State, Department for Work and Pensions (Steve Webb): In addition to general discussions on welfare reform between Scottish Government Ministers and the Department, both Lord Freud and I have corresponded directly with Scottish Government Ministers about the planned social fund reforms.

Ann McKechin: I am grateful for the lack of information in that response. *[Laughter.]* The Minister will be aware that there is every possibility that the legislative consent motion relating to the Welfare Reform Bill, which includes the reform of the social fund, will not be granted consent by the Scottish Parliament. Will the Minister tell us what is his plan B to ensure that vulnerable people in communities in Scotland receive the crisis loans that they require?

Steve Webb: Let me point out that the bulk of crisis loans will remain available under a UK-wide scheme. The devolution of the social fund relates principally to community care grants and a small amount of crisis loans. In our view, that money is better handled locally, close to the communities in question, and we hope that the Scottish Parliament will take the opportunity to have the money that is available and to spend it in Scotland, which is what it always tells us it wants.

Jobcentre Plus

18. **Katy Clark** (North Ayrshire and Arran) (Lab): What recent assessment he has made of the capacity of the Jobcentre Plus network to administer the benefits system during periods of rising unemployment. [76001]

The Minister of State, Department for Work and Pensions (Chris Grayling): The Department for Work and Pensions reviews work loads and staffing regularly to ensure that there is capacity to pay benefits and help people find work. On average, the DWP aims to clear jobseeker's allowance claims within 10 days. It is currently clearing them in 9.6 days, nearly five days faster than five years ago.

Katy Clark: I thank the Minister for that answer. Twenty-two jobcentres and 17 benefit processing centres are due to close. While I understand that the Government are saying that they are going to try to avoid compulsory redundancies, there is no doubt that staff will be forced out of their jobs. Overall, the unemployment figures are reaching 3 million. In my constituency, the claimant count went up by 10% in the year to September. Surely we are going to see a worse service provided to claimants. Will the Minister undertake to provide regular performance statistics to this House?

Chris Grayling: What the hon. Lady does not understand is that we inherited a network of half-empty buildings. I am sure she would agree that it makes no sense to fund, for example, two or three jobcentres within a mile of each other in a city centre. Rather than cutting back—the hon. Member for Nottingham South (Lilian Greenwood) mentioned bus services—I would like to protect the services that we can possibly protect, and making our network of jobcentres and benefit delivery centres operate more efficiently and effectively seems a very good way of trying to ensure that we protect front-line services.

Housing Benefit

20. **Heidi Alexander** (Lewisham East) (Lab): What estimate he has made of the potential number of tenants who could accrue rent arrears as a result of implementation of his proposals to restrict housing benefit for social tenants in accordance with household size. [76003]

The Minister of State, Department for Work and Pensions (Steve Webb): We have made no estimates of the number of tenants who would get into rent arrears as a direct result of implementing our proposal, as it is not possible to predict exactly how people will respond to the change or what choices they might make in response to a potential shortfall.

Heidi Alexander: The Minister says he has made no such assessment, but the Housing Futures Network estimates that eight out of 10 tenants will struggle to make up the shortfall in lost benefits as a result of these proposed changes, with a third likely to go into rent arrears. That will increase the level of bad debt of housing providers and is likely to mean less investment in new affordable homes. Is the Minister concerned about that?

Steve Webb: I am grateful to the hon. Lady for drawing our attention to the Housing Futures Network research. What she did not quote was the fact that a quarter of respondents said that they were likely to downsize, which presumably means making better use of the housing stock, while 29% said that they would be either quite likely or very likely to move into work or increase their hours, which is a positive response. There are real issues about rent arrears; we are working closely with social landlords to assist, but there will be positive impacts from these policies, which also need to be borne in mind.

Andrew Bridgen (North West Leicestershire) (Con): Hard-working families in my constituency often see families on housing benefit receiving more than they themselves receive as a result of going out to work. Can my hon. Friend confirm that as a result of the new measures it will always pay to work?

Steve Webb: My hon. Friend will be aware that we have a range of policies to ensure that it pays to work, my right hon. Friend the Secretary of State's universal credit being central among them. The caps on housing benefit and the limit to the 30th percentile in the private sector are also designed to level the playing field between those in low-paid work and those on benefit.

Employment and Support Allowance

21. **Gemma Doyle** (West Dunbartonshire) (Lab/Co-op): What the average length of time was for an appeal in respect of a decision on a claim for employment and support allowance in the latest period for which figures are available. [76004]

The Minister of State, Department for Work and Pensions (Chris Grayling): In the current year, the average actual clearance time between the Department's receiving an appeal and its being lodged with Her Majesty's Courts and Tribunals Service was 35.2 days. That, of course, includes the time allowed for individuals to produce new evidence about their circumstances. The average time taken from receipt of an appeal at HMCTS to the date of the first appeal hearing was 23.2 weeks. That information covers 1 April to 31 August 2011, the latest period for which figures are available.

Gemma Doyle: I thank the Minister for his detailed answer. Will he take this opportunity to refute press reports that he will cut the ESA of people who appeal against assessment decisions, especially in the light of the information that 40% of cases are being won on appeal?

Chris Grayling: What I expect to see as a result of the changes following Professor Harrington's review in the summer is a significant reduction in the number of cases that go to appeal when the Department's initial review and the reconsideration are upheld. In order to ease pressure on individuals, we have tried to ensure that there is a proper reconsideration service in Jobcentre Plus, so that they can produce new evidence at that stage and need not use the Courts Service at all.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): Will the Minister look into the delays and difficulties experienced by visually impaired claimants who are being transferred from incapacity benefit to the ESA? I have no time to go into the details of this case today, but after more than four months a constituent of mine is still unable to submit a claim because of a lack of support and assistance, and she is not the only

person in those circumstances. Will the Minister look into the difficulties experienced by this very vulnerable group?

Chris Grayling: It is difficult for me to comment on an individual case, but we certainly do not want to see people in difficulties. If the hon. Gentleman will write to me with details of the case, we will look into it for him.

Child Care Costs

22. **Tony Lloyd** (Manchester Central) (Lab): What estimate he has made of the potential effect on the number of women leaving work of his planned reduction in refundable child care costs. [76005]

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): We are not planning any reductions in support for child care. In fact, as the hon. Gentleman will have noted, we recently committed ourselves to investing £300 million more in child care support under universal credit, on top of the £2 billion already spent on child care support. As a result of that support, some 80,000 more households will be eligible for child care, which must be welcome.

Tony Lloyd: I am not sure that the Secretary of State's message has been conveyed to the public. Many working families are very concerned both about the high price of child care and about the fact that it is rising, and believe that they will be worse off as a consequence of the changes that are being made. How does the Secretary of State propose to ensure that his message gets across, to Labour Members as well as those on the Government Benches?

Mr Duncan Smith: I know that the hon. Gentleman holds genuine views on these matters. Obviously we must ensure that we listen more to people, and explain to them the changes that universal credit will bring. The end of the 16-hour rule and the provision of child care for those working fewer than 16 hours a week will be of major benefit, particularly to lone parents. Under the present system, some 100,000 people do not take up the child care support element of working tax credit to which they are entitled because they are not aware of it, so this will be a big breakthrough.

Crisis Loans

23. **Philip Davies** (Shipley) (Con): What proportion of crisis loans are repaid; and if he will make a statement. [76006]

The Minister of State, Department for Work and Pensions (Steve Webb): All crisis loans are repayable, and the vast majority are repaid, albeit sometimes over several years. Of the loans issued in 2003-04, more than 95% have so far been recovered.

Philip Davies: It seems from answers given by the Department that each year only half of what is paid out in crisis loans is repaid. The police have reported to me that they have evidence of fictional crimes that people invent in order to obtain crime numbers enabling them to gain crisis loans. Can the Minister explain what is being done to ensure that the amount of money being repaid increases, and to stop the abuse of the system?

Steve Webb: In order to give my hon. Friend a sense of scale, let me tell him that we lent a little over £200 million in crisis loans last year, and less than £500,000 was written off as unrecoverable. As I have said, the vast majority of loans are recovered, but I share my hon. Friend's concern that the money should be lent correctly. Localising parts of the crisis loan system will lead to much closer local scrutiny of the purposes for which the money is being lent.

Child Poverty

24. **Kerry McCarthy** (Bristol East) (Lab): What assessment he has made of the effect on child poverty of benefit changes in (a) 2011-12 and (b) 2012-13. [76007]

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): Treasury projections show that modelled tax and benefit reforms announced since Budget 2010 may result in a small reduction in child poverty in 2011-12 and 2012-13. These include above-indexation increases to the child element of child tax credit by £180 in 2011-12 and £110 in 2012-13.

Kerry McCarthy: I am slightly puzzled by the Secretary of State's response. I am sure he is aware of the research published last week by the Institute for Fiscal Studies and the Joseph Rowntree Foundation predicting a huge rise in the number of children living in relative poverty—of perhaps 500,000 more—despite the Government's introduction of the universal credit. Does he accept that child poverty is predicted to rise under his rule?

Mr Duncan Smith: The hon. Lady should not be so surprised given that I responded to the question she asked. The IFS projection deals with the tax and the benefits systems, but there are wider issues; we are addressing the pupil premium and other areas, which we think will also have an effect. The IFS projections are based on the premise that absolutely nothing changes, and I remind the hon. Lady that the last report showed that the previous Government were going to miss their 2010 targets before they left office.

Topical Questions

T1. [76009] **Sheila Gilmore** (Edinburgh East) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): From today, and following the written ministerial statement laid in the House on Friday, employment and support allowance claimants who are eligible to volunteer for the Work programme will be referred to Work programme information sessions. Claimants in the support group will be able to opt in to the sessions. That will form part of the work-related activity component for those in the work-related activity group—WRAG. This is an important step in giving claimants a taste of the support available through the Work programme.

Sheila Gilmore: Does the Secretary of State agree with last week's comments by the Minister for Housing and Local Government that under-occupiers should not be bullied out of their homes, and will he now withdraw his proposals for social tenants which would result in exactly that?

Mr Duncan Smith: The position of the Housing Minister is correct, and I make it a principle to support him.

T4. [76012] **Bob Russell** (Colchester) (LD): Further to the Atos question asked earlier by my hon. Friend the Member for Cardiff Central (Jenny Willott), does the Secretary of State agree that the company is not fit for purpose, that it treats many claimants in an unacceptable way, and that, frankly, it is time that its contract was terminated?

The Minister of State, Department for Work and Pensions (Chris Grayling): My hon. Friend needs to understand that Atos is simply a subcontractor to the Department for Work and Pensions. It does not take decisions about individuals. It simply operates to a template, which was mostly established under the previous Government. Of course we must be sensitive, but Atos and our other subcontractors are as careful as possible about the job that they do. Ultimately however, it is the Department itself that sets the policy and implements the processes, and that must take responsibility for the outcomes.

Ian Austin (Dudley North) (Lab): Given the Secretary of State's complaints about the free movement of European labour and his leadership of the Maastricht rebels in the '90s, may I ask why he will not be demonstrating some conviction and consistency this evening? Why is he putting his position and his party before his principles, and his career before his country, in the debate on Europe this evening?

Mr Speaker: Order. It is always a pleasure to listen to the hon. Gentleman, and that is, indeed, a topical question, but it suffers from the notable disadvantage of bearing absolutely no relation whatsoever to the responsibilities of the Secretary of State for Work and Pensions. I will give a seminar to the hon. Gentleman later, further and better to explain the point, but there is no requirement on the Secretary of State to respond to that question.

Naomi Long (Belfast East) (Alliance): Given the relatively small employment market in Northern Ireland, does the Secretary of State believe, based on his discussions with Northern Ireland Ministers, that enough jobs can be created for those leaving employment for the Work programme financial model to be effective in Northern Ireland?

Chris Grayling: As the hon. Lady rightly says, all these issues are devolved to Northern Ireland. We have regular contact with the Northern Ireland Administration, and my colleague, Lord Freud, has regular meetings with them on behalf of the Department. We all, of course, want to see growth and employment in every part of the United Kingdom, including Northern Ireland, and to see all our welfare-to-work policies, both devolved and otherwise, bear fruit.

T7. [76015] **Duncan Hames** (Chippenham) (LD): In the Welfare Reform Bill Committee on 10 May the Minister with responsibility for disabilities, the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Basingstoke (Maria Miller), assured us that she would not remove mobility benefits from disabled people without additional support being in place. Would she care to update the House on progress in determining the level of support that will be available to disabled people, including care home residents, through personal independence payments?

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): I thank my hon. Friend for giving me the opportunity to do that. As he is aware, we have been examining this issue more broadly and our research is well advanced. The independent review chaired by Lord Low has been examining some of the same issues, and it is sensible to reflect on the outcome of his important work in advance of our final decision. Lord Low is due to report on 3 November and I will announce our final decisions shortly after.

Mr Stephen Hepburn (Jarrow) (Lab): If Harrington does bring forward improvements to the work capability test, will the Minister give a commitment to review all those past cases seen and commissioned under Atos, where bad mistakes may have been made?

Chris Grayling: Of course, every claimant who goes through the work capability assessment has the right of appeal. I simply say to the hon. Gentleman that when Professor Harrington carried out his first assessment last year he said to me clearly that although he had recommended improvements, we could and should go ahead with the national incapacity benefit migration. I have accepted his recommendations.

T10. [76018] **Priti Patel** (Witham) (Con): Ministers will be aware of the difficulties that young people face in finding employment, and the challenges are naturally greater for those with disabilities. Will the Minister provide an update on Government plans to help young disabled people to get back into work, following the recent Sayce review?

Maria Miller: I thank my hon. Friend for her question. As she will doubtless be aware from her own constituency, the aspirations of young disabled people are no different from those of any other people. That is why, through the Work programme, the Work Choice programme and the access to work scheme, we will give young disabled people all the opportunities they need to progress into work.

T3. [76011] **Fiona O'Donnell** (East Lothian) (Lab): The Secretary of State seemed surprised that we do not share his love of statistics. I wonder whether it was he who briefed the Prime Minister last week, leading to the Prime Minister claiming at Prime Minister's questions

"that 500,000 people have jobs who did not have one at the time of the election."—[*Official Report*, 19 October 2011; Vol. 533, c. 893.]

The Prime Minister was not at his most eloquent last week. However, according to official figures, between April to June 2010 and the most recent figures—June to August 2011—employment is up by just 87,000. We do not like the Secretary of State's statistics when they are wrong. Does this not prove that the Government do not have a plan for tackling unemployment?

Chris Grayling: The hon. Lady is missing something out. One of the most regular refrains from the Opposition over the past few months has been that, as we have had to make necessary changes in the public sector as a result of the financial mess they left behind, the private sector would not be able to take up the slack. The truth is that although we have had a bad quarter for unemployment, we have seen more than 500,000 extra jobs in the private sector since the election and more jobs created in the private sector over the past year than have been lost in the public sector.

Mr Edward Timpson (Crewe and Nantwich) (Con): Under new housing benefit rules, foster carers who claim housing benefit will be penalised for having bedrooms occupied by foster children because they will be deemed as "under-occupied". At a time when we need more foster carers, not fewer, what are the Government doing to address that anomaly?

The Minister of State, Department for Work and Pensions (Steve Webb): My hon. Friend has a good deal of personal knowledge of this issue. I refer him to the comments made by Lord Freud when it was raised during consideration of the Welfare Reform Bill in the Lords. He observed that this is a serious issue and that he is keen to ensure that we respond appropriately to that important point.

T5. [76013] **Natascha Engel** (North East Derbyshire) (Lab): A record number of employment and support allowance claimants are wrongly assessed as fit for work. They cannot claim ESA while they await their appeal hearings, yet appeals are taking anything up to 15 months to be heard. What is the Minister doing to make the system better and, more importantly, quicker?

Chris Grayling: The hon. Lady needs to remember that the system we inherited from the previous Government caused the problems to which she is referring. We made changes after the Harrington review last year that were all in place earlier this summer for the start of the national incapacity benefit migration. We have yet to see the statistical outcome of that, but I am confident that we will see a fall in the number of successful appeals as a result of our decision to implement the Harrington recommendations in full.

Brandon Lewis (Great Yarmouth) (Con): For auto-enrolment to have the maximum impact, it is important that seasonal short-term employees have an equal opportunity to be part of it. Will the Minister outline what incentives the Government are putting in place to encourage take-up by short-term and seasonal employees?

Steve Webb: We must strike the right balance in respect of those who work for an employer for a very short period, in order to avoid unnecessary bureaucracy. Those who are with a firm for more than three months will be within the scope of auto-enrolment, and those who work for a shorter period will still be free to opt in and trigger a contribution from their firm.

T6. [76014] **Jessica Morden** (Newport East) (Lab): Will the Minister reassure my constituents that the assessment for the personal independence payment will be fit for purpose and will not repeat the experiences of the work capability assessment?

Maria Miller: I thank the hon. Lady for her question. She will be aware that last May we published the assessment criteria, that we have been testing those through the summer with 900 disabled people, and that we are working with more than 50 disability organisations. I hope that that assures her that we will ensure that it is very much fit for purpose.

Sarah Newton (Truro and Falmouth) (Con): I very much welcome the Government's plans to streamline advice and information and advocacy services, with the big possibility of a much enhanced citizens advice service. Will the Minister assure me that benefits advice and advocacy will be very much at the heart of the new service?

Mr Duncan Smith: Yes, I can.

Mr Frank Roy (Motherwell and Wishaw) (Lab): Is the Secretary of State aware that it is proving impossible for MPs to make telephone inquiries to Work programme providers, outsource providers and work capability assessment providers?

Chris Grayling: We are extremely keen to see close relationships between local Members of Parliament and Work programme providers. If there is any issue in making that happen, we will happily act as middlemen to make sure the doors are opened.

T8. [76016] **Ann McKechin** (Glasgow North) (Lab): As the Minister will be aware, there are approximately 2,000 local government employees in Scotland who administer housing benefit. He said in a recent parliamentary answer to me that those people are in his thinking in relation to the introduction of universal credit. Can he give any reassurance to the House that those people's jobs will be protected and will be considered as part of the new system?

Mr Duncan Smith: We have said all along that, when it comes to administering universal credit, all those who are responsible for administering various parts of it now will have an equal opportunity to show that they are the most efficient and most effective.

Miss Anne McIntosh (Thirsk and Malton) (Con): I thank the Government for amending the state pension age for one category of women. May I press the Government and the Minister on the transitional arrangements for those women who will not have a reprieve, because presumably the unemployment benefit will not be as high as the state pension to which they would have been entitled?

Steve Webb: My hon. Friend is right that there will still be people who face a significant increase in their state pension age. Working-age benefits will be available, including jobseeker's allowance and employment and support allowance. Some such women will also have access to occupational pensions and other forms of income and we will support those who seek to carry on working up to their new state pension age.

T9. [76017] **Catherine McKinnell** (Newcastle upon Tyne North) (Lab): On Saturday, I joined more than 1,000 people in Newcastle for one of the many Hardest Hit campaign rallies across the country, in which people expressed anxiety about cuts to local care and support services, jobs and essential benefits for some of the most vulnerable in society. Given that disabled people are already twice as likely to live in poverty, what does the Minister have to say in response to their concerns?

Maria Miller: I regularly meet all the major organisations that are involved in the march. I can reassure the hon. Lady that we are doing work in the Department for Work and Pensions and through the Department of Health, with an extra £7.2 billion going on social care, an extra £3 million being put into user-led organisations and £180 million going on disabled facilities grants. Those are all additional areas of expenditure that disabled people should welcome.

Mr Iain Wright (Hartlepool) (Lab): One in five young people in Hartlepool is without employment, education or training. That is the highest proportion anywhere in the country and is the direct result of Government decisions such as the scrapping of the education maintenance allowance and the cancellation of the future jobs fund. Given the astonishing complacency of the Secretary of State's earlier answers and given that he has not given a fig about young people throughout this Administration, what practical, tangible steps will he put in place so that young people in Hartlepool are not a neglected, forgotten or lost generation?

Mr Duncan Smith: I must say to the hon. Gentleman, as I have said to many others, that these problems with youth unemployment are deeply regrettable but, most importantly, while we in government look after the economy and want to see greater levels of growth, he, like all his colleagues, needs to take account of the fact that we are here because of the mess that his party left the economy in and the debts and the deficit—which we have to get rid of.

Gloria De Piero (Ashfield) (Lab): A constituent of mine has been taken off disability living allowance and was told in May that his appeal was ready to be heard at a tribunal but that the backlog meant that it could not be heard until April next year. That is an 11-month wait; does the Minister think that is an acceptable length of time?

Maria Miller: I am very happy to discuss an individual case such as that with the hon. Lady if she would like to talk to me at another point.

Mr Pat McFadden (Wolverhampton South East) (Lab): Has the Minister with responsibility for disabled people received any reports of Remploy factories having to turn away work? If so, does she agree that, at a time when there is criticism of the financial performance of some of those factories, that would be perverse given that we want those factories to be taking on as much work as possible?

Maria Miller: The Government are absolutely committed to Remploy and are continuing to fund the modernisation plan. As the right hon. Gentleman knows, we are looking at the future of Remploy—not just the factories, but employment services. If he has particular examples of current practice that he is concerned about, I would be delighted to talk to him about that. I am not aware of any such business being turned away.

Mrs Mary Glindon (North Tyneside) (Lab): Does the Minister consider £22.60 enough to live on as a personal allowance to provide clothing, toiletries, travel and socialising? If not, why does the Minister expect my disabled constituents from the Percy Hedley Foundation who took part in the Hardest Hit campaign to—

Mr Speaker: Order. Thank you for the question, but we must move on.

Maria Miller: The hon. Lady may be referring to disability living allowance. That is available for part of the costs that disabled people incur. There are many other ways that the Government support disabled people.

European Council

3.30 pm

The Prime Minister (Mr David Cameron): With permission, Mr Speaker, I would like to make a statement on recent developments in Libya and yesterday's European Council.

Yesterday in Libya, after 42 years of tyranny and seven months of fighting, the national transitional council declared the formal liberation of their country. Everyone will have been moved by the pictures of joy and relief that we saw on our television screens last night. From Tripoli to Benghazi, from Misrata to Zawiyah, Libyans now dare to look forward, safe in the knowledge that the Gaddafi era is truly behind them.

This was Libya's revolution, but Britain can be proud of the role that we played. Our aim throughout has been to fulfil the terms of the UN Security Council resolution, to protect civilians, and to give the Libyan people the chance to determine their own political future. With the death of Gaddafi, they now really do have that chance. The whole House will join me in paying tribute to our armed forces for the role that they have played—over 3,000 missions flown and some 2,000 strike sorties, one fifth of the total strike sorties flown by NATO. As the Chief of the Defence Staff has written this morning, it has been

"one of the most successful operations NATO has conducted in its 62-year history".

I believe it is something the whole country can take pride in.

The decision to intervene militarily, to place our brave servicemen and women in the line of fire, is never an easy one. We were determined from the outset to conduct this campaign in the right way, and to learn the lessons of recent interventions, so we made sure the House was provided immediately with a summary of the legal advice authorising the action. We held a debate and a vote in Parliament at the earliest opportunity. We made sure that decisions were taken properly throughout the campaign, with the right people present, and in an orderly way. The National Security Council on Libya met 68 times, formulated our policy, and drove forward the military and the diplomatic campaign. We took great care to ensure that targeting decisions minimised the number of civilian casualties. I want to pay tribute to my right hon. Friend the Member for North Somerset (Dr Fox) for his hard work on this issue.

It is a mark of the skill of RAF, British Army and other coalition pilots that the number of civilian casualties of the air attacks has been so low. The military mission is now coming to an end, and in the next few days, NATO's Operation Unified Protector will formally be concluded. It will now be for Libyans to chart their own destiny and this country will stand ready to support them as they do so.

Many learned commentators have written about the lessons that can be learned from the past seven months. For our part, the Government are conducting a rapid exercise, while memories are still fresh, and we will publish its key findings. For my part, I am wary of drawing some grand, over-arching lesson—still less to claim that Libya offers some new template that we can apply the world over. I believe it has shown the importance of weighing each situation on its merits and thinking through carefully any decision to intervene in advance. But I hope it has also shown that this country has learned not only the lessons of Iraq, but the lessons of Bosnia too. When it is necessary, legal and right to act, we should be ready to do so.

Let me turn to yesterday's European Council. This Council was about three things: sorting out the problems of the eurozone, promoting growth in the European Union, and ensuring that as the eurozone develops new arrangements for governance, the interests of those outside the eurozone are protected. This latter point touches directly on the debate in the House later today, and I will say a word on this later in my statement. Resolving the problems in the eurozone is the urgent and overriding priority facing not only the eurozone members, but the EU as a whole and indeed the rest of the world economy.

Britain is playing a positive role proposing the three vital steps needed to deal with the crisis: the establishment of a financial firewall big enough to contain any contagion; the credible recapitalisation of European banks; and a decisive solution to the problems in Greece. We pushed this in the letter we co-ordinated to the G20 and in the video conference between me, Angela Merkel, Nicolas Sarkozy and President Obama last week. We did so again at the European Council this weekend and will continue to do so on Wednesday at an extra European Council meeting.

Ultimately, however, the way to make the whole of the EU, including the eurozone, work better is to promote open markets, flexible economies and enterprise. That is an agenda that Britain has promoted, under successive Governments and successive Prime Ministers, but it is now an agenda that the European Commission is promoting, too. We have many differences with the European Commission, but the presentation made by the Commission at yesterday's Council about economic growth was exactly what we have been pushing for, driving home the importance of creating a single market in services, opening up our energy markets and scrapping the rules and bureaucracy that make it take so long to start a new business. Both coalition parties are pushing hard for these objectives.

This may sound dry, but if we want to get Europe's economies moving and to succeed in a competitive world, these are the steps that are absolutely necessary. These are arguments that Margaret Thatcher made to drive through the single market in the first place, and which every Prime Minister since has tried to push. If the countries of the EU were as productive as the United States, if we had the same proportion of women participating in our economy, and if we were as fast and flexible at setting up new businesses, we would have the same GDP per capita as the United States. That is an aim we should adopt.

The remainder of the Council was spent on the safeguards needed to protect the interests of all 27 members of the European Union. The Council agreed that all matters relating to the single market must remain decisions for all 27 member states and that the European Commission must

"safeguard a level playing field among all Member States including those not participating in the Euro."

That leads me directly to the debate we will have in the House later today. Members of my party fought the last election committed to three things: stopping the

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passage of further powers to the EU; instituting a referendum lock to require a referendum, by law, for any such transfer of powers from this House; and bringing back powers from Brussels to Westminster. All three remain party policy. All three, in my view, are in the national interest. In 17 months in government, we have already achieved two of the three. No more powers have gone to Brussels. Indeed, the bail-out power has actually been returned and, of course, the referendum lock is in place. I remain firmly committed to achieving the third: bringing back more powers from Brussels.

The question tonight is whether to add to that by passing legislation in the next Session of this Parliament to provide for a referendum that would include a question on whether Britain should leave the EU altogether. Let me say why I continue to believe that this approach would not be right, why the timing is wrong and how Britain can now best advance our national interests in Europe.

First, it is not right because our national interest is to be in the EU, helping to determine the rules governing the single market, our biggest export market, which consumes more than 50% of our exports and drives so much investment in the UK. That is not an abstract, theoretical argument; it matters for millions of jobs and millions of families and businesses in our country. That is why successive Prime Ministers have advocated our membership of the EU.

Secondly, it is not the right time, at this moment of economic crisis, to launch legislation that includes an in/out referendum. When your neighbour's house is on fire, your first impulse should be to help put out the flames, not least to stop them reaching your own house. This is not the time to argue about walking away, not just for their sakes, but for ours.

Thirdly, and crucially, there is a danger that by raising the prospect of a referendum, including an in/out option, we will miss the real opportunity to further our national interest. Fundamental questions are being asked about the future of the eurozone and, therefore, the shape of the EU itself. Opportunities to advance our national interest are clearly becoming apparent. We should focus on how to make the most of this, rather than pursuing a parliamentary process for a multiple-choice referendum. As yesterday's Council conclusions made clear, changes to the EU treaties need the agreement of all 27 member states. Every country can wield a veto until its needs are met. I share the yearning for fundamental reform and am determined to deliver it.

To those who support today's motion but do not actually want to leave the EU, I say this: I respect your views. We disagree not about ends, but about means. I support your aims. Like you, I want to see fundamental reform. Like you, I want to re-fashion our membership of the EU so that it better serves our nation's interests. The time for reform is coming. That is the prize. Let us not be distracted from seizing it. I commend this statement to the House.

Edward Miliband (Doncaster North) (Lab): I thank the Prime Minister for his statement. On Libya, I join him in expressing deep and abiding gratitude to members of the British armed forces. Over the past seven months, once again, our servicemen and women have been a credit to our nation, exercising our responsibility to the Libyan people and to uphold the will of the United Nations. That is why I have supported the Government in their actions, and I commend the Prime Minister on the role that he has played in taking the right and principled decisions on the issue.

There are difficult days ahead, and it is for the Libyan people to determine their future, but I agree with the Prime Minister that, alongside the responsibility to protect, which we exercised, is the responsibility to help rebuild—in particular, to help provide the expertise that the new Libya will require.

Let me now turn to Europe, and here my opening remarks reflect some of the things that the Prime Minister said. We are clear, and have been consistently, that getting out of the European Union is not in our national interest. Cutting ourselves off from our biggest export market makes no sense for Britain, and the overwhelming majority of British businesses, however unhappy they are with aspects of the EU, know that, too.

What is more, at this moment of all moments, the uncertainty that would ensue from Britain turning inwards over the next two years to debate an in/out referendum is something our country cannot afford. The best answer to the concerns of the British people about the European Union is to reform the way it works, not to leave it. We should make the completion of the single market, common agricultural policy reform, budget reform and reform of state aids the issue. That is why we will vote against the motion tonight.

This is the context for the European Council that the Prime Minister went to this weekend: growth stalled in Britain since the autumn; growth now stalling in Europe; unemployment rising; and the threat of a new banking crisis. That is why yesterday's summit was so important.

I listened carefully to the Prime Minister's statement, and it sounds like he now believes that Britain should play an active role in solving this crisis, but the truth is that month after month the Prime Minister and the Chancellor have chosen to grandstand on the sidelines, not to help sort out the issue. The Chancellor even refused to go to the initial meetings that he was invited to on the issue. They have shown no will to try to find the solutions.

Let me ask where the Prime Minister now stands. On banking, does he believe that the amount of recapitalisation being discussed is sufficient to ensure financial stability throughout the European banking system, particularly in the light of the International Monetary Fund's larger estimates of capital required? On Greece, does he believe that the lessons of previously announced Greek bail-outs are being learned and will provide a genuinely sustainable solution? On growth, does he now understand that Europe will not get to grips with its debt problems until it gets to grips with a crisis of growth and the immediate lack of demand in the European economy?

I suppose we should be pleased that the Government have moved from the Chancellor being empty-chaired at the meetings to the Prime Minister at least wanting to get into them, but he will have to do better than yesterday, because he was surprisingly coy about his one real achievement at the summit. In a few short hours, he managed to write the euro version of "How to Lose Friends & Alienate People". He went into the summit lecturing the Germans; he came out of it being shouted

at by the French. Apparently, President Sarkozy, until recently his new best friend, had had enough of the posturing, the hectoring, the know-it-all ways. Mr President, yesterday you spoke not just for France but for Britain as well.

The Prime Minister was in Brussels, but his mind was elsewhere. The Tory party on Europe is suffering another nervous breakdown, with a Prime Minister making frantic phone calls home, Parliamentary Private Secretaries threatening to resign, and it is not just the Stone Roses on a comeback tour, because the right hon. Member for Wokingham (Mr Redwood) is back among us, touring the television studios.

All the Prime Minister's present difficulties are of his own making. What did he say in 2006? He said that instead of talking about the things that most people care about, we were banging on about Europe. However, he spent the last five years telling his Back Benchers that he may not be banging on about Europe but that, deep down, he is really one of them. He was warned that he might start by dabbling with Euroscepticism, but that it was a slippery slope. That is exactly what happened.

Does the Prime Minister regret getting out of the European People's Party in favour of the right-wing fringe—*[Interruption.]* He says no, but I do not know whether he was aware that there was a dinner for EPP leaders on Saturday night. The German Chancellor was there, the French President was there, and the President of the Commission was there—mainstream centre right Europe—but the Prime Minister was not invited. He is the person who kept telling us that he was a Eurosceptic, who at the election promised renegotiation of the terms of Britain's membership of the EU. His party is paying the price because it believed what he told them. The country is paying the price because we are losing influence.

Yesterday, the Prime Minister was at it again, and we heard it again today. He is locked in a row with his Back Benchers, and what do we see? We see the resurrection of the old classic to get out of the social chapter, and withdraw employment rights. The coalition agreement is clear. That option is off the table. The Deputy Prime Minister is nodding from a sedentary position. That option—the third option in the Prime Minister's statement—is off the table, and the Foreign Secretary confirmed that again this morning. Let the Prime Minister answer this question. At the December summit, what position will he take? Will he be for renegotiation or against? The coalition agreement says that that option is off the table. He said in his statement that it is on the table. The position is totally unclear.

This goes to the heart of the Prime Minister's ability to fight in Europe on behalf of this country. Like his predecessors, he is caught between the party interest and the national interest. We see a rerun of the old movie—an out-of-touch Tory party tearing itself apart over Europe—and all the time the British people are left to worry about their jobs and livelihoods. The Prime Minister should stop negotiating with his Back Benchers, and start fighting for the national interest.

The Prime Minister: First, I thank the right hon. Gentleman for his kind words on Libya. I agree that, as well as the responsibility to protect, we have a responsibility to help rebuild, and we will certainly do that.

What he said about Europe started well with praise for the importance of completing the single market, something he is in favour of and I am in favour of. He did not tell us about all his views on Europe. Yesterday, he was asked repeatedly whether Labour would join the euro, and the answer was instructive. He said:

"It depends how long I'm prime minister for."

I am not sure which prospect is more terrifying.

The right hon. Gentleman accused the Government of not going to meetings in Europe. We have been going to meetings in Europe to get us out of the bail-out mechanism that Labour put us into. He asked what we are doing to make sure that bank recapitalisation is credible. My right hon. Friend the Chancellor spent 10 hours in an ECOFIN meeting on Saturday ensuring that that happened. It would not have done without his intervention.

On Greece, we certainly want decisive action. Let me be clear about that. The right hon. Gentleman then said an extraordinary thing about the French President—that he thought the French President spoke for Britain—*[Interruption.]* That is what he said. It is difficult from opposition to sell out your country, but he has just done it.

I struggled to look for a question to answer—there were not very many. The right hon. Gentleman talked about the importance of global leadership. Let me just remind him that one of the absolute keys is going to be the role of the IMF. Let us remember that he led his Back Benchers and all his Front Benchers through the Division Lobby to vote against the IMF deal that his own former Prime Minister had negotiated in London. That was a complete absence of leadership, like so much we see from the right hon. Gentleman.

Several hon. Members *rose—*

Mr Speaker: Order. A very large number of right hon. and hon. Members are seeking to catch my eye. I am keen to accommodate them, but I remind the House that we have a very heavily subscribed debate to take place afterwards. Therefore, brevity from Back Benchers and Front Benchers alike is of the essence.

Sir Malcolm Rifkind (Kensington) (Con): I agree with the Prime Minister's view on the debate this afternoon. However, has he had drawn to his attention the terms of the third option in the motion, which is to

"re-negotiate...membership in order to create a new relationship based on trade and co-operation"?

Is that not purely the situation of Norway and Switzerland, is that not incompatible with membership of the European Union, and should not anyone who is interested in renegotiation that will enable us to stay within the Union oppose this motion?

The Prime Minister: I think the vital interest for the UK is belonging to the single market—not just being able to trade in that single market but having a seat at the table where you can negotiate the rules of that single market, which of course countries like Norway are not able to do. One of the other problems with the motion—I completely understand the frustrations that many of my colleagues have about Europe—is that if you have a three-way choice, you could find that 34% of the country

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voting to get out of the European Union would be enough to deliver that or, indeed, that 34% voting for the status quo, which many of think is unacceptable, would be enough. *[Interruption.]* I think we have tried the alternative vote, and a pretty clear decision was made.

Mike Gapes (Ilford South) (Lab/Co-op): How would the Prime Minister characterise his relations with President Sarkozy?

The Prime Minister: If you have a good relationship with someone, you can have frank discussions with them. I can tell the hon. Gentleman exactly what happened at the European Council yesterday. On the issue of Libya, Britain and France have worked together probably more closely than we have worked together at any time in the last 40 years, and on defence co-operation, we will continue to do that. I do not for one minute resile from the need sometimes to speak clearly and frankly on behalf of Britain and to stand up for the British national interest. It is in our national interest that the eurozone deals with its problems, and it is right that we make that clear.

Sir Menzies Campbell (North East Fife) (LD): My right hon. Friend deserves great credit for the determination and leadership that he showed in relation to Libya. He will understand that his views and mine on Europe are hardly identical, but, at the very least, can we not agree that in opposing President Sarkozy abroad, and in opposing the motion to be discussed here at home, he is clearly acting in the national interest?

The Prime Minister: I am very grateful for that compliment. The fact is that my right hon. and learned Friend is right to make the point. This is a coalition. There is not complete agreement on European policy between the parties of the coalition, but the coalition came together in the national interest and is acting in the national interest, and I think it is right to oppose this motion tonight, partly on the grounds that he puts forward.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): It is a shame that the Prime Minister spent only 10 minutes on Libya, the European Council and the motion. On reflection, I hope that he will think that he should have paid more attention to the European Council.

US Secretary Geithner said that even if all Greece's debts were repaid, we would still have the same problem. Could the Prime Minister tell the House how he thinks that Greece will regain competitiveness?

The Prime Minister: I have probably made more statements on European Councils over the last 16 months than many Prime Ministers, and I have always committed to come back and report to the House.

The point that the hon. Lady makes is absolutely right. Greece is just the most glaring problem that the eurozone has to deal with. As I have said, that has to be dealt with decisively. It needs to be backed by a firewall, and it needs to be backed by the recapitalisation of banks. But the fundamental problem of the eurozone is the issue of competitiveness and the very large current imbalances that are building up in some of the member states, particularly those in the south. As a result, what needs to happen above all, as I said in my statement, is an advance in competitiveness, in trade, and in completing the single market, which will help all those economies in the longer term.

Mr William Cash (Stone) (Con): The Prime Minister has made it clear that he advocates fiscal union within the eurozone. Can he explain to the House how it is that fiscal union of that kind is not a fundamental change in our relationship with the European Union, bearing in mind that it is established that the constitutional position is clear that where there is fundamental change, there must be a referendum? How can he square that circle?

The Prime Minister: Let me be clear with my hon. Friend. I think that fundamental changes are coming in Europe; they are clearly coming in the eurozone. That may lead to pressures, as we saw over the weekend, for treaty change. That will present opportunities for Britain and we should respond to those opportunities. The question for the House tonight is whether it is right to go off down the path of having a referendum that includes an in/out option, just when there are big opportunities as the eurozone and the EU are changing.

Keith Vaz (Leicester East) (Lab): I join others in congratulating the Prime Minister on his stance on Libya, but remind him that there are other countries, such as Yemen, that need to be focused on. The Lisbon agenda set out the benchmarks for economic growth, which were replaced by the 2020 strategy. Is the Prime Minister confident that, despite the eurozone crisis, those targets will be achieved?

The Prime Minister: First, the right hon. Gentleman is right on Yemen. As he knows, the National Security Council is spending an increasing amount of time on examining how we can best help that country not only to achieve a transition to greater democracy and freedom, but to tackle the security concerns that we have about it. He is right that we have had the Lisbon process and the 2020 process. The problem is that although this agenda gets pushed forward, in too many cases the targets and measures are not met. After 16 or 17 months of going to Council meetings, I am seeing a change of heart in the European Commission, not least because everyone recognises that the priority in Europe is now growth. The Commission has to stop adding expensive regulations to business and start deregulating, which is exactly the agenda that we are putting forward.

Richard Ottaway (Croydon South) (Con): Does the Prime Minister agree that not only in Libya, but in Tunisia and Egypt there is an opportunity for reconstruction and a transition to democracy? To what extent will that be dealt with on a bilateral basis or in conjunction with our partners through the European External Action Service?

The Prime Minister: The first thing that we have done is to help to change the European neighbourhood policy to ensure that it is much more engaged with Libya, Tunisia and Egypt, and to put in much more conditionality so that there is progress towards rights and democracy

in the countries that we are helping. In addition, we have a significant bilateral programme. It is essential to help those countries develop the building blocks of democracy, such as political parties, and understand the importance of civic society. The Department for International Development and others can help with that.

Mr Nigel Dodds (Belfast North) (DUP): I join others in paying tribute to the bravery of our servicemen and women over Libya and to the work of NATO. I particularly commend the Prime Minister for his leadership on Libya. I am afraid that on Europe, the same cannot be said. The people of Britain will today be asking why he has he decided to firmly set his face not only against his own Back Benchers, but against the settled will of the British people for a referendum on Europe.

The Prime Minister: First, I thank the right hon. Gentleman for what he said about Libya. As I have said, the country can be proud of what our armed service personnel have done. On Europe, I am clear about what Parliament should do about a referendum. We do not come to this place to give away powers that belong to the people, not to us. It is wrong that we did not have a referendum on Maastricht, Lisbon and those other treaties. My clear view is that it is when this Parliament proposes to give up powers that there should be a referendum. That is the guarantee that we have written into the law of the land.

Philip Davies (Shipley) (Con): As global traders, our future prosperity lies in improved trade with China, India, South America and emerging economies in Africa, and not in being part of the backward-facing, inward-facing protection racket that is the European Union, which is propping up inefficient businesses and French farmers. The Prime Minister's objection to tonight's motion seems to be about timing. Will he give us a timetable for getting powers back from the European Union?

The Prime Minister: First, where I have some disagreement with my hon. Friend is that, although we of course want to export more to China, India, Brazil, Russia and Turkey—the fast-growing countries of the future—we have to recognise that today, 50% of our trade is with European Union countries. It is therefore in our interest not only to keep those markets open and have a say about their regulation, but to further open them up. That is what we should be pushing for and are pushing for in the European Union. As I say, there is a case for a referendum if ever this Parliament proposes to give up more powers. Otherwise, it is clear what the country wants us to do: it wants us to stay in the European Union, but to retrieve some powers and ensure that we have a better relationship with Europe. That is the commitment that we have made.

Tony Lloyd (Manchester Central) (Lab): The Prime Minister must recognise that whether we are talking about Greece, Italy, Spain, Portugal or Ireland, only growth will make a real difference to the financial crisis. Why did he not advocate policies of growth at the heart of these debates and, in that way, give a lead to the British people about why Europe is so important?

The Prime Minister: We have been doing exactly that, but one reason some of those countries have got into difficulties is not just the shortage of growth and competitiveness, though that has been key, but the fact that they have built up very large budget deficits. That is the lesson right across Europe—you have to make sure that you cut your cloth according to what you can afford. That is a lesson that we are tragically having to learn in this country, too.

Charlie Elphicke (Dover) (Con): My constituents in Dover were very pleased and heartened to see the Prime Minister standing up to the French.

When it comes to the national interest, is not a key point that we need action on budgets and action on getting us out of the bail-out fund, not action selling us down the river, joining up with the euro or selling down the £7 billion rebate that we used to have?

The Prime Minister: My hon. Friend makes an important point, which is about what the British people want us to do specifically with respect to Europe. The biggest danger, they sense, is getting drawn into further bail-outs. That is why, in the treaty change that has already come forward, that was the price that we exacted—to get out of the EU bail-out fund by 2013. We have returned that power to the UK. We should also be taking action on the European budget, and we have secured agreement with some of the large countries in Europe on a real-terms freeze this year. Those priorities, plus the referendum lock, are what this Government have already been able to deliver.

Mr Denis MacShane (Rotherham) (Lab): The Prime Minister prayed in aid Margaret Thatcher, but she put her money where her mouth was in the sense that the UK contribution to the European Community went up from £656 million in 1984 to £2.54 billion in 1990—a fourfold increase. Then, it was to help Greece, Spain, Portugal and Ireland. Does the Prime Minister plan to emulate her to help Poland, Latvia and our poorer friends in the new Europe?

The Prime Minister: The right hon. Gentleman reminds us that Margaret Thatcher did indeed put her money where her mouth was. The only trouble was the next Government came along and gave it away when they gave up the rebate for absolutely nothing in return.

Andrea Leadsom (South Northamptonshire) (Con): Will my right hon. Friend speculate on what the cost would have been to the taxpayer if he and my right hon. Friend the Chancellor had not negotiated to get Britain out of the bail-out mechanism?

The Prime Minister: The point about the bail-out mechanism is that we were left exposed by the last Government because of the existence of the European financial stabilisation mechanism. Although we are still at risk between now and 2013, what we have secured is that we have ended that from 2013. That is an achievement. We also stayed out of the second Greek bail-out, and that was an achievement. Those things have saved real money, and it is really important for people to understand that the Government have been focused on delivering something really concrete and important for the British people at this time.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): As a Member who voted for the implementation of Security Council resolution 1973, and who as shadow Foreign Secretary refused to meet Gaddafi when he invited me to go to Libya to collect financial compensation—blood money—for the family of WPC Fletcher, may I state my disgust and revulsion at the murder, and the nature of the killing, of Gaddafi? May I ask the Prime Minister to emphasise to the national transitional council that the future for democracy in Libya lies in reconciliation, not revenge?

The Prime Minister: The right hon. Gentleman makes an important point, and I can announce to the House that Chairman Jalil, leader of the national transitional council, has announced today that there will be an inquiry into the circumstances of Colonel Gaddafi's death. Clearly, we wanted him to face justice. That is what should have happened, and it is important that that inquiry goes ahead. However, I do not stand back for one second from what I said in my statement—that because the Gaddafi era is over and he is gone, the Libyan people, who genuinely feared that as long as there was a prospect of his coming back there was a difficulty in building their future, can now get on with that future.

Jo Swinson (East Dunbartonshire) (LD): I greatly welcome the Prime Minister's leadership on Libya. Its liberation is a success not only for the Libyan people but for proving that the international community can act together to implement the responsibility to protect. However, does he agree that we must also exercise caution? Intervention under R2P must be used sparingly and only in cases that meet all the relevant criteria, such as there being a serious threat to human rights, the response being proportional and there being clear support for action internationally, regionally and within the country.

The Prime Minister: I very much agree with how my hon. Friend puts her question, but I would add something important to that: we should intervene only if we believe we are capable of doing so and of bringing about the effect that we need. There is a very important issue there. It is about seeing not only what is legal and necessary, but what we can do.

Kate Hoey (Vauxhall) (Lab): The Prime Minister must know of the growing division between the public and politicians. Does he have no concern at all about what will happen at 10 o'clock tonight, when all three party leaders will whip their Back Benchers in a Division on a motion that is not binding, and that seeks a referendum and future legislation in—probably—2013? Does that mean that once again, the public will say, "Seventy-five per cent. of us would like a referendum at some stage. This Parliament is not listening"?

The Prime Minister: The hon. Lady asks a very important question, so let me try and answer it. I absolutely believe it is right to have public petitions in the way that we now do, and that it is right to give time to Back-Bench motions—this Government have brought that reform about. However, the issue of Europe is not a side issue, but an important one, and it is important that political parties and Governments make their views on it known. I do not accept the idea that somehow we can have a vote on something as important as this on a Thursday and hope that it will go unnoticed. I believe in the importance of Parliament, but I cannot believe in a sovereign Parliament on the one hand and on the other say that some of its votes and decisions do not matter. I simply do not think that that is consistent.

Mark Reckless (Rochester and Strood) (Con): The Prime Minister tells *The Daily Telegraph* today that we should use any treaty change to shore up the euro to get powers over employment and social policy back, yet on 25 March, he agreed to precisely such a treaty change, but did not ask for anything in return.

The Prime Minister: I have to take issue with my hon. Friend. The very limited treaty change that is about to be debated in, and hopefully passed by, the House of Commons, gets us out of the bail-out mechanism that the previous Government got us into. I thought, and I still think as Prime Minister, that that was the single most important price that we could exact for that treaty change—that was the biggest concern of the British public. The point I made yesterday and that I will make again today is that I believe that huge changes will take place in the EU and the eurozone. That will give us opportunities to maximise the national interest, which is what we should be talking about and debating in the Conservative party, the coalition and the House of Commons as a whole. We will not further that by having a referendum that includes an in/out option. As I have said, that would be like walking away from a burning house. We should deal with that first, then talk about the future.

Hywel Williams (Arfon) (PC): What assessment has the Prime Minister made of the consequences of the eurozone crisis on UK regional export-led economic growth?

The Prime Minister: As I said yesterday, the eurozone crisis has clearly had a chilling effect, not only on eurozone economies, but on our economy, the American economy and economies elsewhere in the world. The eurozone is a huge market for the world's goods, and clearly there has been a slow-down, partly because of the lack of confidence in the eurozone. We must also be clear that a break-up of the eurozone would have severe consequences for neighbouring countries and banks. That is why it is very important that we work with eurozone partners to try to sort this issue out.

Mr Bernard Jenkin (Harwich and North Essex) (Con): May I join others in commending my right hon. Friend for his leadership on Libya, for which he deserves considerable credit? May I also thank him for the constructive tone that he is adopting towards those of us who will support today's motion? So many parties have again and again promised a referendum, and the British people clearly want a say over our future relationship with the European Union. Does he understand our anxiety that it is ironic that the House of Commons is likely to vote heavily against what the British people want?

The Prime Minister: I thank my hon. Friend for his kind remarks about Libya and my tone, which I shall try to keep constructive throughout. I completely

understand people's frustrations: they were promised a referendum on the Lisbon treaty, but they did not get it because the treaty was put in place by the previous Government, which meant that it was not then possible to hold the referendum. However, the answer to the frustration in the country over not having a referendum on the last thing is not to offer one simply on the next idea. The most important thing is to deliver what people want, which is to ensure that we get the best out of the EU and that, where there are opportunities as Europe changes, we take those opportunities. That should be the focus in this Parliament and beyond.

Sir Stuart Bell (Middlesbrough) (Lab): The Prime Minister rightly said that the 27 nation states will make any decision on the single market. He has not told the House that the President of the European Council, Herman Van Rompuy, has been elected president of the 17 nation states within the eurozone, with France on one shoulder and Germany on the other. The President has said that he will inform the British Government prior to any summit meetings and inform them of the results. Does the Prime Minister think that to be "informed" is the same as to be "consulted"?

The Prime Minister: The hon. Gentleman makes an important point: as the eurozone comes together and the governance arrangements change, it is important that those countries that are not in the eurozone—and, in our case, do not want to join—have their interests protected. That is why, in the Council conclusions, I secured specific language about ensuring a level playing field and that countries outside the eurozone are protected. This is a journey. The eurozone is going on one journey, where it sees closer collaboration and co-operation, but I believe that countries outside the eurozone will be looking for further protections to ensure that some of our vital national interests—things such as financial services—are properly protected and not put at risk by what is happening in the eurozone.

Mark Lancaster (Milton Keynes North) (Con): History tells us that following military victory, such as in Iraq and Afghanistan, we have just 100 golden days to deliver stabilisation before the joy of victory turns to despair among the local population. The clock is now ticking, so will the Prime Minister say a few words about how we will deliver this stabilisation?

The Prime Minister: We worked closely with others on a stabilisation and reconstruction plan for Libya. A lot of work went into that. I am optimistic because we have seen how the national transitional council is genuinely national and bringing the country together, not wanting a division between Benghazi and Tripoli. It is transitional, and the clock is now ticking for it to set up a genuine transitional Government within 30 days. Everything that I have seen of the Libyan leadership shows that it wants to get on with rebuilding its country, and because of its oil wealth and the size of its sovereign wealth fund, it has the means by which to do it.

Fiona Mactaggart (Slough) (Lab): In the Prime Minister's statement, he suggested that the EU economies could be as productive as the US economy if we had the same proportion of women in the work force. However, with unemployment among women in the UK higher than at any point since 1988, will he tell us three things that he has done to increase the proportion of women in the work place?

The Prime Minister: We have increased the hours available for free nursery care for three, four and two-year-olds. That is what we have done.

Nadhim Zahawi (Stratford-on-Avon) (Con): Will the Prime Minister tell the House whether the President of Switzerland and the Prime Minister of Norway were at the table arguing with the French? I suspect that the answer is no because their relationship is different from ours. [HON. MEMBERS: "They are not in the EU."] That is absolutely right. They are not in the EU, which is why amendment C to the motion is completely the wrong option for our country to pursue.

The Prime Minister: My hon. Friend makes an important point. We have to ask clearly, "What is in the UK national interest?" At the heart of our national interest, when it comes to the EU, is not only access to that single market but the need to ensure that we are sitting around the table of the single market determining the rules that our exporters have to follow. That is key to our national interest, and we must not lose that.

Mark Durkan (Foyle) (SDLP): Which situation does the Prime Minister hope that we will arrive at first: the eurozone passing a brink without teetering on it, or his Eurosceptics passing a top without going over it?

The Prime Minister: That one obviously took a long time to construct. I believe that the eurozone countries are coming together and seeing the need for a big and bold solution. That needs to happen. It will not solve the problem—because there are still major stresses and strains within the eurozone that need to be dealt with in the long term—but I think that it will happen this week. It is up to the House of Commons how it votes tonight, but I am clear that it is in our interest to be in the EU but seeking our national advantage and national interest at all times.

Mark Pritchard (The Wrekin) (Con): May I congratulate the Prime Minister on his leadership on Libya? Returning to fiscal union, may I ask him what part of fiscal union he believes could trigger the European Union Act 2011?

The Prime Minister: The key point about the European Union Act 2011 and the referendum lock that we put in place is that any passage of powers from Britain to Brussels results in a referendum. That is the key thing that we have delivered, which means that never again can we have a situation where, as with Maastricht or Lisbon, a treaty is passed that transfers powers from this House to somewhere else without the British people being asked first. I sometimes think that we have lost the ability to make clear what a significant change that is. That is the key thing that the referendum lock delivers, and I think everyone on this side of the House can be very proud of it.

Mr Wayne David (Caerphilly) (Lab): Following on from the last question, just a few months ago this House spent 42 and a half hours debating the European

[Mr Wayne David]

Union Bill, the purpose of which is to allow for referendums on the EU. Is there any chance of seeing a referendum in the near future on the EU at all?

The Prime Minister: The point is that if a Government propose to pass powers from this House to Brussels, they should ask the British people first. That is the simple principle that we have put into law. It is important that we try to establish clear rules for the use of referendums in a parliamentary democracy, and I absolutely believe that rule 1, line 1 is: "If you're giving up powers that belong to the British people, you should ask them first."

Richard Harrington (Watford) (Con): I commend the Prime Minister on his statement, not least because it will reassure the thousands of my constituents who work for companies whose European headquarters are based in Watford. Can he reassure me that the things that my constituents do not like about Europe—for example, bureaucracy, reckless profligacy, gross overspending and too much regulation—will be dealt with to the best of his ability in the course of this Government?

The Prime Minister: I can absolutely give my hon. Friend that assurance. If he looks at what we have achieved in a relatively short time—getting out of the bail-outs, getting agreement among the big countries for a freeze in the European budget this year and getting the European Commission to focus on deregulation rather than regulation—he will see that they are all important. I agree with his first point. A lot of companies come and invest in Britain not just because of our economic strengths, our flexible labour markets and all the rest of it, but because of access to the world's biggest single market, which is important for investment into Britain by American, Japanese and other firms, creating the jobs and wealth that we need.

Michael Connarty (Linlithgow and East Falkirk) (Lab): With some financial analysts saying that banks holding sovereign debt might have to take a 25% to 60% write-down on that, can the Prime Minister elucidate for the benefit of the House what he means by a "financial firewall big enough to contain any contagion", and say whether he thinks that the IMF needs to be involved and that the problem cannot be solved in Europe?

The Prime Minister: There are two issues if we are going to see a decisive resolution of the Greek situation. Obviously we need a recapitalisation of Europe's banks, so that they have sufficient capital to withstand the losses that would otherwise affect them. Credible stress tests are crucial to that: there has been round after round of stress tests in Europe, but they have not been robust and credible enough. I believe that that has now been secured, not least because of my right hon. Friend the Chancellor's work in the ECOFIN meeting. The second thing we need—the firewall; what I called the "big bazooka", which the shadow Chancellor referred to the other day—is to ensure that we have a mechanism big enough to help to stop contagion to other countries. There will be discussions in the eurozone and outside it about how big that needs to be, but the answer is: bigger than is currently proposed, and they need to keep working on it.

Sarah Newton (Truro and Falmouth) (Con): I very much welcome the possibility that treaty changes will be needed in the next few months. Will the Prime Minister assure me and businesses the length and breadth of this country that he will use that opportunity to get rid of ridiculous regulations and laws that are impeding growth and job creation in our country?

The Prime Minister: I agree with my hon. Friend's approach. We should use these opportunities as the European Union changes and the eurozone changes to maximise Britain's national advantage. We have to be clear: we do not yet know how much of a treaty change will be proposed by the Germans and others, or how extensive it will be. We shall have to look carefully at that to see what is right for Britain in response. However, I should say to my hon. Friend that, so far in this Government, one treaty change has been proposed and we exacted an important price, which was to get us out of the bail-out funds from 2013, which was a clear and present danger to the United Kingdom.

Mr Jim Cunningham (Coventry South) (Lab): Is not the tragedy about the Prime Minister the fact that, as Leader of the Opposition, he totally underestimated the world crisis? As a result, he has had to grow up very fast in regard to European politics. What is his next alibi going to be in regard to the postponement of a referendum? I am sure that there is going to be one.

The Prime Minister: I have not for one minute underestimated the scale of the crisis that we face in Europe and across the world economy. Sadly, that crisis has been made worse by the vast overspending that took place under the Government whom the hon. Gentleman supported.

Tony Baldry (Banbury) (Con): Will the Prime Minister confirm that, at the last general election, the Conservative manifesto committed us to seeking to return powers from Europe on economic and social policy, but that nowhere did it contain a commitment to seek an in/out referendum or to seek to renegotiate our terms of membership of the European Union?

The Prime Minister: My hon. Friend makes an important point. We did have a commitment to seek the return of important powers from the European Union, such as the social and employment legislation. Obviously, we are in a coalition, but as Conservative leader, I remain committed to achieving that, because it is in the British national interest to do so. My hon. Friend makes the important point, however, that it was not part of our manifesto or our policy to seek a referendum that included an in/out option. I completely respect the fact that there are Members, not only on this side of the House but on the Labour side as well, who have long wanted an in/out referendum, not least because some of them would like us to get out of the European Union altogether. But that is not our policy, and that is the reason we having the debate on this on a Monday, on a proper motion, in the proper way. This is not some side issue; it is an important issue. As I said before, I believe in the sovereignty of Parliament. To me, all decisions of Parliament matter, and the idea that we could sweep this off into a debate on a Thursday and that no one

would notice is wrong. What Parliament decides matters, and that is why the Government are taking the motion seriously.

Mr Michael McCann (East Kilbride, Strathaven and Lesmahagow) (Lab): A few weeks ago, I visited the Weir Group in my constituency. Its representatives explained the difficulties that they had had in evacuating British staff from Libya. They also told me of their keen desire to get back to working on vital infrastructure projects there as soon as possible. Will the Prime Minister tell us how he is going to ensure that that can happen?

The Prime Minister: I completely understand why the hon. Gentleman has raised that issue. It is important to his constituents and to that business, and, frankly, it is important for British investment in Libya. I can tell him that Stephen Green, Lord Green, has already held a Libyan investment conference and has plans to travel to Libya. I recommend that the hon. Gentleman contacts that Minister, and I will make sure that that happens so that we can help the Weir Group with the important work that it does.

Robert Halfon (Harlow) (Con): Many of my constituents who have contacted me over the past few days tell me that they lost their trust in politics because the previous Government refused to give them a referendum on the Lisbon treaty. What substantive message can my right hon. Friend give me to take back to those constituents?

The Prime Minister: I completely understand their concerns, but just because the last Government failed to hold a referendum on the Lisbon treaty does not mean that we should vote tonight for a referendum on an in/out option that was not in any of our manifestos. The reassurance that I would give to my hon. Friend's constituents is that the Government are doing all the things that people care about most in Europe, such as constraining the European budget, getting out of the bail-out funds and cutting unnecessary regulation. We are doing all those things, and there will be more to come.

Chris Leslie (Nottingham East) (Lab/Co-op): Did I hear the Prime Minister correctly when he said earlier that he now believes that there should have been a referendum on the Maastricht treaty? In the light of the Foreign Secretary's well-rehearsed opposition to that, will he tell us exactly when he changed his mind?

The Prime Minister: I have always felt that, and our Bill is clear. Under our Bill, Maastricht or any of those treaties would have triggered a referendum. That is the point. I do not think that the hon. Gentleman has been keeping up. I hope that Labour will commit to that legislation, which will mean that if any Government ever try to give away powers from this House, they will have to ask the British public first.

Harriett Baldwin (West Worcestershire) (Con): Has the Prime Minister noticed that, while this Government have ruled out joining the euro, it is the continued policy of Her Majesty's Opposition, regardless of who is leading them?

The Prime Minister: There was an interesting series of interviews with the Leader of the Opposition over the weekend. As well as saying that if he were Prime Minister for long enough, he would like to get us into the euro, he responded to being asked whether he thought that Brussels had too much power by saying:

"No, I don't think Brussels has got too much power".

That is the official position of the Labour party: wrong about the euro, wrong about Brussels, wrong about Britain. Wrong about everything!

Naomi Long (Belfast East) (Alliance): I share the Prime Minister's optimism at the formal liberation of Libya, and I pay tribute to the role our armed forces have played in that process. Is the Prime Minister as concerned as I am, however, at the allegation of the summary execution of any human being—even of a violent tyrant such as Gaddafi? Does he share my view that there is a need urgently to re-establish the rule of law and proper democracy in that country?

The Prime Minister: I think the hon. Lady makes an important point. We all saw those pictures on our televisions and newspapers; they were not pleasant images. I think everyone understands that that is not what should have happened; it should have ended in a trial and in Gaddafi facing justice. As I said earlier, Chairman Jalil has announced that there will be an inquiry, and I think it is important that the Libyans carry it out properly.

Rory Stewart (Penrith and The Border) (Con): May I respectfully disagree with the Prime Minister's idea that there are no lessons from Libya? The lesson from Libya, which could be applied to Europe, is that what matters is not what you ought to do, but how you do it, with whom and when.

The Prime Minister: I did not say that there are no lessons to learn; I think there are lessons to learn. The Government are carrying out a lessons learned process and will be announcing the key results from it. The point my hon. Friend makes about what you are able to do and how you build alliances to do what you want to do is absolutely vital—and was vital in this case. What I was trying to say—perhaps I did not put it across properly—is that we have to be careful not to say that because Libya was successful in this way, we can read that across to every single other proposed intervention. We cannot do that. As a liberal Conservative, I believe that a bit of scepticism should be brought to these schemes before we embark on them.

Steve McCabe (Birmingham, Selly Oak) (Lab): For the sake of absolute clarity, is it now this Prime Minister's position that he could accept substantial German-led changes to the Lisbon treaty without it requiring the referendum he promised the British people?

The Prime Minister: The key point is this. If there is a proposal for moving powers from this House of Commons to Brussels, there is a referendum guarantee. It is absolutely vital that people understand that; it is the promise that we make. We do not yet know whether treaty change will definitely be proposed; we do not yet know what it will consist of or how big it will be. The pledge I can

[The Prime Minister]

make is that we will use that opportunity to further the national interest—something that did not happen under 13 years of a Labour Government.

Duncan Hames (Chippenham) (LD): Closer fiscal policy co-ordination within the eurozone marks two very different degrees of political integration among EU member states. Does the Prime Minister consider that, unlike recent referendums in other EU countries, this development, alongside the passage of the European Union Act 2011, affords the British public a more meaningful veto than before on treaty changes and their impact on our own country?

The Prime Minister: I think my hon. Friend is absolutely right. That is the assurance that people seek—you should not change the rules of the game and you should not give away powers that are not yours to give away. The British people should have a block on that; that is what we have put into place. No Government should rule out for ever putting questions in a referendum—after all, this Government had a referendum on the alternative vote—but that is not what I am saying; I am saying that the bedrock of our views about a referendum in a parliamentary democracy is that you should not give powers away from Parliament without asking the people first.

Jonathan Ashworth (Leicester South) (Lab): Ahead of tonight's vote, with a rebellion apparently looming, will the Prime Minister tell us what advice he has taken from the former Prime Minister, John Major? *[Interruption.]*

The Prime Minister: Oh, thank you very much. Well, the hon. Gentleman can have plenty of advice from a former Prime Minister because he used to work for one. I do not know whether it appears on his CV; my advice would probably be to leave it off!

Neil Carmichael (Stroud) (Con): With large and significant supply chains stringing across Europe and a market of 500 million people, does the Prime Minister agree that businesses across this country would be really pleased to see us further strengthen the capacity of the single market to deliver more trade?

The Prime Minister: My hon. Friend makes an important point. All these years after the single market was started, we have still not completed the single market in services. In this country, service is one of our strongest industries, and it is actually countries like Germany that have not yet completed that single market. I know that people are bored of hearing the agenda of completing the single market in services, liberalising energy markets, deregulating in Europe, but if we want to raise our growth rate in Europe and raise our game in Europe, this is squarely in our British national interest.

Dr Thérèse Coffey (Suffolk Coastal) (Con): I congratulate my right hon. Friend on his leadership in the Libyan situation, when there were many doubters who have been proved unequivocally wrong. Will he assure me that he will continue to work with the President of France and others on the United Nations Security Council to address the situation in Syria?

The Prime Minister: I can assure my hon. Friend that, whatever our disagreements on economic policy—and, by and large, we are united on it—the French President and I will work very closely together on foreign affairs and defence issues. I think that there is a real coming together of French and British national interests, but, as I said earlier, when we do sometimes have disagreements we should not be frightened, as good friends, of airing them and discussing these matters.

Point of Order

4.30 pm

Greg Mulholland (Leeds North West) (LD): On a point of order, Mr Speaker. On Friday I sought to table an amendment to the important motion that is to be discussed—and rightly so—this afternoon. The amendment called for an in/out referendum at the appropriate time, namely following the resolution of the eurozone crisis. However, the Table Office refused to take the amendment from my colleagues and me, although I offered to do it by e-mail or through my researcher, or to have a long conversation on the phone.

As you know, Mr Speaker—

Mr Speaker: Order. I think we have got the drift of the point of order.

Greg Mulholland: It is possible, Mr Speaker, for someone to introduce to the Public Bill Office, but not the Table Office—

Mr Speaker: Order. The hon. Gentleman must resume his seat. We have got the gist of his point of order. I am grateful to him for giving me notice of it.

The rules governing the form of authorisation required to authenticate matters tabled on behalf of Members when they are not able to be present in person are designed to protect them. If the hon. Gentleman, notwithstanding what I have said, believes that they are no longer relevant to modern circumstances, I suggest that he raise the matter with the Procedure Committee. I hope that that is helpful.

Backbench Business

[34TH ALLOTTED DAY]

National Referendum on the European Union

Mr Speaker: I should inform the House that I have selected none of the amendments.

In view of the very large number of Members who wish to speak in the debate, I have imposed a limit of five minutes on each Back-Bench speech.

4.32 pm

Mr David Nuttall (Bury North) (Con): I beg to move,

That this House calls upon the Government to introduce a Bill in the next session of Parliament to provide for the holding of a national referendum on whether the United Kingdom should

(a) remain a member of the European Union on the current terms;

(b) leave the European Union; or

(c) re-negotiate the terms of its membership in order to create a new relationship based on trade and co-operation.

The motion stands in my name and those of many other right hon. and hon. Members.

I must start by thanking the Backbench Business Committee for providing time for today's debate. It is an historic debate, and the amount of interest generated in advance of it has surely put beyond any doubt the fact that the public are concerned about this matter. It fully vindicates the establishment of the Committee, and its decision to facilitate the debate. I thank my hon. Friends the Members for Basildon and Billericay (Mr Baron), for Christchurch (Mr Chope), for Clacton (Mr Carswell), for Rochester and Strood (Mark Reckless) and for Wycombe (Steve Baker), along with many others, for their tireless work and support from the very outset. With the leave of the House, my hon. Friend the Member for Wellingborough (Mr Bone) will briefly wind up the debate.

The motion reflects the wishes of the hundreds of thousands of people who have signed petitions calling for a referendum on the United Kingdom's future relationship with the European Union. Opinion polls clearly show that millions of others agree with them: in fact, the vast majority of the British people want a vote in a referendum. The arguments for and against the United Kingdom's membership of the European Union can wait until a future referendum campaign. The motion that is before us today simply paves the way for a referendum to be held on some future, as yet unspecified, date. Therefore, any argument that now is not the right time for a referendum to be held is, quite frankly, irrelevant. Even if the motion is passed today, a referendum is likely to be years away.

One reason for people's increasing concern about our membership of the European Union is the growing sense that this country, indeed this Parliament, is becoming ever more impotent as more and more decisions are taken in Brussels and then passed down to the United Kingdom to implement, whether we like it or not.

I want to mention one very important example of that from my constituency of Bury North. Before the last general election, the Conservatives pledged that if

[Mr David Nuttall]

we won the election we would keep open the children's department, including the maternity ward and special care baby unit, at Fairfield hospital in Bury, which was scheduled to close under Labour's plans. Sadly, despite that pledge, and despite massive local opposition to the closure plans, these vital services are still destined to close, and one of the driving forces behind the closure plans is the effect of the European working time directive. Thousands of my constituents feel completely let down, and even at this late stage I urge the Government to keep that pre-election pledge and to ensure these services are retained at Fairfield hospital.

Mr Denis MacShane (Rotherham) (Lab): Two weeks ago at the Inverclyde Royal hospital, 23-year-old doctor Lauren Connelly died in a car crash. All her colleagues believe that that was a result of her having worked exhaustingly long hours. We should not mock the working time directive. Although it is sometimes improperly applied in the UK, it is also saving the lives of doctors and patients.

Mr Nuttall: I believe it is for this Parliament to decide what rules and regulations should be taken up.

The voters know that the tentacles of the European Union intrude into ever more areas of our national life. Understandably, they are saddened—and, indeed, disillusioned—at being fobbed off, as they see it, by the political elite, who always seem to find a reason to stop them having their say.

More than a decade ago, my right hon. Friend the Foreign Secretary coined the phrase, "We want to be in Europe, but not run by Europe." The sad fact is that since then we have increasingly become run by Europe. I and millions of others in this country want to be in Britain, and run by Britain.

More than 36 years have passed since anyone had the chance to have their say on this crucial matter, and in that time not a single power has ever been repatriated. I suspect that for some in this House there will never be a right time for a referendum on this issue, but I think that, by anybody's standards, nearly four decades is quite long enough to wait.

Moreover, almost two thirds of the people of the United Kingdom have never had the opportunity to vote on this issue. Indeed, figures supplied by the House of Commons Library show that approximately 8 million of the people who voted yes to continuing our membership of the Common Market back in 1975 are still alive today. That is just 16% of the current voting age population, leaving a staggering 84% who have never voted in favour of Britain's continued membership of the European Economic Community.

Heather Wheeler (South Derbyshire) (Con): Back in 1975, I was engaged in political work but I was also too young to have a vote, so I am very glad that my hon. Friend has raised this important point so early in the debate. The people of South Derbyshire sent me here so that we can have votes on issues such as the one before us.

Mr Nuttall: I thank my hon. Friend. I will now press on.

A staggering 84% of the current voting age population have never voted in favour of Britain's continued membership of the EEC, never mind the European Union. Furthermore, if I were a betting man, I would wager that some of those who voted yes back in 1975 may well have since changed their minds. The Common Market has fundamentally changed in size and powers as it has been transformed into the European Union, and without the British people ever being consulted, of course.

Mr Wayne David (Caerphilly) (Lab): Why does the hon. Gentleman think that the Prime Minister has not stayed to listen to his speech?

Mr Nuttall: I am sure that the Prime Minister has many important duties to attend to.

Mr John Baron (Basildon and Billericay) (Con): I congratulate my hon. Friend on securing this debate. The key point is that what this country joined was, in essence, a free trade area, and that since that time we have seen the continual salami-slicing of our sovereignty and the British people have still not yet been consulted on that change. The Government may talk about referendum locks, but that is tilting at windmills, given that no treaty is on the horizon and that key competences and powers are being transferred in the meantime. It is time to consult the people.

Mr Nuttall: The European Union Act 2011 deals with the future, but this motion deals with where we are today. People already feel that too many powers have been passed on. At a time when people pick up their phones and spend their own money voting week in, week out to keep their favourite contestants on programmes such as "Strictly Come Dancing" and "The X Factor", many will be baffled as to why the Government and all those who oppose this motion seem keen to prevent them from having their chance to vote on Britain's future relationship with the European Union.

Philip Davies (Shipley) (Con): I very much agree with my hon. Friend. Does he agree that people will be even more baffled to understand the position of the Liberal Democrats? They stood on an election manifesto to have an in/out referendum and actually marched out of this House in the previous Parliament because they were denied one, so does he not agree that people will be particularly baffled as to why none of those charlatans over there will be voting for this motion?

Mr Nuttall: I am sure that millions of Liberal Democrat voters would appreciate having the chance to have their say.

Martin Horwood (Cheltenham) (LD): The hon. Gentleman will know, as I am sure he read the Liberal Democrat manifesto very carefully, that we committed to an in/out referendum at the time of a fundamental shift. That is why we supported an in/out referendum and proposed one in this Chamber at the time of the Lisbon treaty. Perhaps he can explain why every one of his then Conservative colleagues voted against that motion.

Mr Nuttall: The fact is that all the opinion polls show that approximately two thirds of the people want a referendum now.

Mrs Anne Main (St Albans) (Con): My hon. Friend is absolutely right. Here it is in black and white—it was in orange. This is exactly what the Liberal Democrats wanted to give the people and I am surprised that they are not honouring it today.

Mr Nuttall: The situation we find ourselves in is rather like that of someone who has boarded a slow train going in one direction and finds, just as they are settling in, that the train starts to career off at high speed in a completely different direction, with carriages being added on left, right and centre, and they are locked in and have no way of getting off. Worse still, the longer people are on the train, the more the fare goes up, but there is absolutely nothing they can do about it because any negotiation with the guards or the driver is almost impossible. This motion would simply allow the train to stop for a while so that the passengers can decide whether they want to continue the journey or even disembark.

John Hemming (Birmingham, Yardley) (LD): A lot of changes are happening throughout Europe. Does my hon. Friend accept that we need to add some junctions to the track in order to identify whether alternative routes are available? Does he agree that we should not wait for a referendum before doing that?

Mr Nuttall: I believe that now is the time to start—

Mr Speaker: Order. May I appeal to the House to settle down? A large number of noisy private conservations are taking place, which add nothing to, but subtract much from, the debate. Let us hear Mr David Nuttall.

Mr Nuttall: Thank you, Mr Speaker. I believe that it is now time to start the process of consulting the British people once more. I say "start" because that is all that this motion seeks to do.

Nadine Dorries (Mid Bedfordshire) (Con): Will my hon. Friend also acknowledge that not only is he moving this motion, but more than 100,000 people have signed an e-petition to 10 Downing street calling for him to do just this?

Mr Nuttall: If one added together all the petitions, one would find that many hundreds of thousands of people have called for us to debate this issue.

I am conscious that this is one of the most, if not the most, heavily subscribed Back-Bench debates ever. In conclusion, with the three largest parties in the House all apparently instructing their MPs to vote against the motion despite what those MPs might individually believe to be the best course of action for our country, the result tonight may not be in very much doubt. Members can vote either to give their constituents a choice on Britain's ongoing relationship with the European Union or to deny them that opportunity. It is as simple as that. If my fellow MPs join me in voting to give the British people a choice in a referendum, they can do so with a clear conscience, knowing that they will have a very large majority of the British people on their side.

Andrew Bridgen (North West Leicestershire) (Con): Has my hon. Friend had the same experience as I have? In the past week I have had dozens and dozens of e-mails, telephone calls and letters from constituents urging me to support the motion, whereas the only communication I have had urging me to vote against it has been a telephone call from the Whips Office.

Hon. Members: Hear, hear. *[Interruption.]*

Mr Speaker: Order. I want to hear the hon. Gentleman's response.

Mr Nuttall: We always have to be careful about whether we are listening to the vocal minority or the silent majority. I believe that on this issue we should listen to the majority of the British people, who clearly want a referendum.

Some 40 million people of voting age alive today in this country have not voted in favour of Britain's membership of the European Union, and this motion would start to put that right. Those who oppose it may well be smiling today, but winning votes in the House using strong-arm tactics does nothing to help to rebuild trust in politicians or to persuade the public that the majority inside the House are reflecting their views. Those who oppose the motion may well win this battle, but they most certainly will not win the war. We should remember the saying that he who laughs last laughs longest. I commend the motion to the House.

4.47 pm

Mr Jim Hood (Lanark and Hamilton East) (Lab): I welcome this debate. For new Members in the new Parliament, this will be their first experience of discussing European issues. I have listened to a lot of debates on Europe over the years in this place and they have not changed very much. Of course, I do have some antecedence on European treaties as I was the Chairman of the European Scrutiny Committee and its predecessor for a total of 14 years. I honed my skills in chairmanship by keeping the nine Conservative members of a 16-member Committee from battling with and killing one another. I remember that the split was five pro-Europeans and four who described themselves as sceptics but who we knew were anti. The hon. Member for Stone (Mr Cash) was on that Committee before I joined it and he and I had many exchanges over the years. I respect his views but do not agree with them, and neither did the majority of the Conservatives in the early part of my European scrutiny days.

I have fond memories of our debates on the Maastricht treaty. Those of us who were here at that time will remember that a lot of Members on both sides of the House wore a badge of honour for the number of times they voted against a three-line Whip. The hon. Member for Stone will correct me if I am wrong, but I am sure that he topped 150-odd occasions of rebelling against the Government. I do not see much difference in the debate today.

I did not read anything over the weekend to pre-empt the debate that is any different from the debate all those years ago on the Maastricht treaty. I listened to the Prime Minister today, who said that he was against the decision not to give the people a vote on the Maastricht treaty. I do not know—the records may say, but I

[Mr Jim Hood]

thought he was an adviser in the Treasury in those days, or it may have been just after that—but he was certainly involved in advising the Government of the day.

We should not forget that Mrs Thatcher gave us the single market and there was no referendum on that. It is the single market more than anything else that has impacted on how Europe works. Those who argue against the single market now were in the House supporting Mrs Thatcher when the measure went through without a referendum.

Mike Gapes (Ilford South) (Lab/Co-op): My hon. Friend mentioned Lady Thatcher. Is she not also the former Prime Minister who described referendums as the devices of demagogues and dictators?

Mr Hood: I may not be the historian that my hon. Friend gives me credit for, but I remember Mrs Thatcher saying a lot of things. Having been a miner on strike for 12 months during the 1984 miners strike, I have long memories of Mrs Thatcher's contribution to democracy at that time.

Michael Connarty (Linlithgow and East Falkirk) (Lab): The mover of the motion, the hon. Member for Bury North (Mr Nuttall), alluded to the fact that Members had been strong-armed into voting against a referendum. Who is likely to be able to strong-arm my hon. Friend?

Mr Hood: I have been here for a few Parliaments now and I have never needed to be strong-armed to support the right causes. It is easier for me to say that because I have always been on the Labour Benches and the causes have been easier to support.

Ian Paisley (North Antrim) (DUP): The hon. Gentleman is telling the House of many of his fond memories. Does he remember a certain Tony Blair saying:

"Of course, Britain could survive outside the EU . . . We could probably get access to the Single Market as Norway and Switzerland do"?

Mr Hood: It may surprise the hon. Gentleman that I am not very good at remembering Tony Blair's quotes either, but I do remember Tony Blair winning three elections with massive majorities, and I can remember the good that that Labour Government did for the country, so I have fond memories of Tony Blair.

I conclude my brief contribution by saying that there is a false debate going on in the Chamber today. Those on the Government Benches who are arguing about defending democracy and the right of the people are not talking about democracy and they are not talking about defending the rights of the people; they are talking about getting the UK out of the European Union. Some Members on the Government Benches are honourable and argue that, but some do not. It is all about the nuances and the language, but there is a truism in the House and throughout the country.

The tabloid press is supporting the call for a referendum today. Some are doing it as a good and honourable cause, but there is a side of the tabloid press that supports the right wing on the Government Benches which wants to take the UK out of the European Union. I can remember when we joined the European Union. It was trendy on both sides of the House to be against the European Union. We have moved on, our country has moved on, and we need to be not just in Europe but in the heart of Europe. By doing that, we represent the true sovereignty of this Parliament. For that reason, I will vote against the motion tonight.

4.54 pm

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): It is a pleasure to follow the hon. Member for Lanark and Hamilton East (Mr Hood) and his shocking revelation that there are tabloid newspapers that wish to leave the European Union. This is an important issue at a critical time in European affairs and I congratulate my hon. Friend the Member for Bury North (Mr Nuttall) on securing the debate and moving the motion, even though, as I will explain, I disagree with it. As so many Members wish to contribute to the debate, I have given you, Mr Speaker, an undertaking that I will speak from the Front Bench for no more than 25 minutes—less, I hope—including interventions. I apologise for having to leave for Australia before the end of the debate.

Hon. Members who have put their names to the motion have done so for reasons that are honourable and passionately held. I wish to set out briefly six reasons why I believe the proposition to be the wrong one at the wrong time and why it would cut across a European policy that I believe has the best chance of success for this country. The starting point must be the recognition that disillusionment with the European Union in this country is at an unprecedented level, and in this regard there is some common ground between my hon. Friend the Member for Bury North and me. Just as I want to say some things that he and others will find difficult to accept, so I put it to those who have always enthused about the prospects for greater European integration that for this country the limits of such integration have been reached—more than reached, in my view.

The Leader of the Opposition said at the weekend that he did not rule out joining the euro in future. He must recognise that he is totally out of touch, not only with the people of Britain, but with economic reality. That is why the coalition Government—this is the first part of my argument—have already brought about a major change in European policy, which is absolutely in the interests of this country but which the motion would cut across. That change has three aspects, which I will set out briefly. First, following the previous Government's refusal to hold a referendum on the Lisbon treaty, we passed the European Union Act 2011, which sets out that, in the event of a Government proposing any further transfer by treaty of powers or competence to the EU, there must by law be a referendum of the British people.

Dan Byles (North Warwickshire) (Con): My right hon. Friend mentioned the Opposition's view. Does he not share my bewilderment that the Leader of the Opposition, in response to the Prime Minister's statement earlier today, appeared to say that the Prime Minister should not go into EU meetings and be robust in the British self-interest in case he upsets the French?

Mr Hague: Well, I never cease to be bewildered by the statements of the Leader of the Opposition, so we will leave him to worry about that himself.

Any or all of the treaties of the past 20 years would have been caught by the 2011 Act, and under the same Act parliamentary scrutiny of any treaty changes was vastly enhanced. The narrow treaty change that has been agreed to set up the European stability mechanism will now require primary legislation to be passed through both Houses of Parliament, rather than the cursory consideration it would have received under the previous Government.

Mr John Redwood (Wokingham) (Con): Does the Foreign Secretary not see that very substantial transfers of power are going on at the moment under this Government by directive, by regulation and by opt-in? Why can we not have some lock or vote on that?

Mr Hague: As my right hon. Friend knows, we are also improving the scrutiny of opt-in decisions by this House and made some important commitments on that during the passage of the 2011 Act. On financial regulation, as he may know, my right hon. Friend the Chancellor has had a series of negotiating triumphs that have turned around the situation regarding directives that threaten this country's financial services industry.

Several hon. Members *rose—*

Mr Hague: I will give way to the right hon. Member for Rotherham (Mr MacShane), but then I will make a lot of progress.

Mr MacShane: Is it now the Foreign Secretary's view, and that of the Prime Minister, as he seemed to indicate in his statement, that we should have had a referendum in 1985 on Mrs Thatcher's Single European Act?

Mr Hague: I have just stated my view, which is that all the treaties of the past 20 years would have been caught by the 2011 Act and that there would have been a referendum.

Secondly, we have negotiated far harder and far more effectively on the European budget, in which the increases proposed have been totally unacceptable to this country. Working with France and Germany, the Prime Minister has achieved a sharp reduction in the EU's budget increase and a united demand for a real-terms freeze in the seven years from 2014 without making any concessions of our own.

Thirdly, we have used and will use any treaty change asked for by others to protect and advance our own national interest. The Prime Minister has secured agreement that, in return for accepting a legal basis for the European stability mechanism, Britain will no longer be liable for future eurozone bail-outs through article 122—a liability that the previous Government agreed to in their dying days.

Several hon. Members *rose—*

Mr Hague: I am going to proceed for a while, given the time constraints. I will give way again a little later.

We have, therefore, already saved the British taxpayer potentially billions of pounds. None of those three major advances for British interests would have happened under the previous Government, because they actually did the opposite: refusing to hold a referendum; giving up £7 billion of rebate in budget negotiations for nothing in return; and signing us into a eurozone bail-out.

We propose to approach further treaty changes in the same firm and clear manner. We have agreed in the coalition that our first priority in responding to treaty changes aimed at stabilising the eurozone will be to protect the rights of those countries in the EU but outside the eurozone over decisions affecting them, and to prevent damage to the financial services industry that is so important to this country's economy.

Several hon. Members *rose—*

Mr Hague: I will give way again in a moment.

It is my view and the Prime Minister's view, and the position of the Conservative party, that we will use future opportunities to bring further powers back to the United Kingdom—to repatriate powers to the United Kingdom in those areas where we believe European integration has gone too far.

The final part of our approach to the EU is to make the case at every opportunity for it to do effectively what we joined it for: to expand the opportunities for trade both within Europe and beyond. Britain is the leading champion of expanding the single market and concluding more free trade agreements with the rest of the world. Last year's agreement with South Korea is worth up to £500 million to the British economy—a reminder to all of us, when we discuss these matters, that we are talking about not just politics, but people's jobs and businesses, which we must never forget.

Ian Paisley: The Foreign Secretary has quite rightly tried to outline the savings that the Government are making on European costs, but he must know that by 2018 this nation will have spent £356 billion on enforcing EU regulations. Does he not agree that this Parliament could spend it better—on farming, on health care and on social policy—than the European Community?

Mr Hague: I have explained what we are doing to keep the European budget down, and how I believe the European Union has too much power. The hon. Gentleman must be a little careful, because European Union spending has gone disproportionately to Northern Ireland, and he ought to bear that in mind.

Andrew Selous (South West Bedfordshire) (Con): On trade, may I take the Foreign Secretary from the general to the specific? A number of my constituents work at the Luton van factory, which very nearly closed before it secured a major contract with Renault to keep it going for the next decade. Does he share my concern that my constituents' jobs would have been at risk had there been any danger of Britain being outside the European Union and the single market?

Mr Hague: It is true that if the European Union's external tariffs were applied to the car industry they would cost this country £1.5 billion a year, so we do have to bear that in mind.

Several hon. Members *rose—*

Mr Hague: I will have to proceed again. We are under this time constraint.

That is the Government's policy towards the EU, and that is why we cannot treat this motion, as some have suggested, in a casual way. To do so would not do justice either to the importance of the issues or to the significance of motions presented in this House.

The Prime Minister and I, as he said earlier, want many of the same things as some of the motion's supporters, but we clearly do not advocate leaving the European Union, and I say as someone who has called for referendums on European matters—on Amsterdam, Nice, Lisbon and the euro—and consumed vast acres of newsprint over the years, criticising the euro and setting out a different vision of Europe's future, that the proposition for a referendum before the House today is the wrong proposition at the wrong time. Building on what the Prime Minister said earlier, I want in the 15 minutes remaining to me to give the House six reasons—*[Interruption]*—some of them are very brief, do not worry—why that is the case.

Several hon. Members *rose—*

Mr Hague: But I will give way one more time, to my hon. Friend the Member for Basildon and Billericay (Mr Baron).

Mr Baron: No one doubts my right hon. Friend's Euroscepticism, but, despite all the talk of reclaiming powers, week in, week out competences and powers are being transferred to Brussels under the very noses of the British people. That is why there is growing frustration in the country, and that is why people want a say on whether they become part of this ever-closer political union.

Mr Hague: I do not agree with my hon. Friend that that is what is happening day by day, or week by week. In foreign affairs, for example, we are absolutely clear, and all our embassies and posts throughout the world are clear, that we will not permit any competence creep following on from the Lisbon treaty.

My first reason is the same as the first one given earlier by the Prime Minister. The deficits of recent years, and the slowness of growth in all western economies, make this a difficult and uncertain time for many individuals and firms. The eurozone is clearly in crisis, and to pile on that uncertainty the further uncertainty of a referendum on leaving the European Union, when half the foreign direct investment into Britain comes from the rest of the European Union, and half our exports go out to the rest of the European Union, would not be a responsible action for Her Majesty's Government to take. It would not help anyone looking for a job. It would not help any business trying to expand. It would mean that for a time, we, the leading advocates of removing barriers to trade in Europe and the rest of the world, would lack the authority to do so. It would mean that as we advocate closer trading links between the EU and the countries of north Africa as they emerge from their revolutions, helping to solidify tremendous potential advances in human freedom and prosperity, we would stand back from that. That is not the right way to respond to this dramatic year of uncertainty and change.

Mr William Cash (Stone) (Con): In light of what my right hon. Friend said in advocacy of the single market as it now operates, will he explain why, between 2009 and 2010, our trade deficit with the 26 member states jumped from minus £14 billion to minus £53 billion, and with the eurozone from minus £4 billion to minus £38 billion in one year—last year alone? Why did that happen, and what is his remedy?

Mr Hague: The remedy is to restore the health of the British economy, to have a tax system, such as the Chancellor is creating, that attracts businesses to this country, and to create export growth from this country to the whole world, not just to the European Union. We cannot do that if we are not taking part in the free trade agreements that Europe is making with the rest of the world.

The second and third reasons—

Kate Hoey (Vauxhall) (Lab): *rose—*

Mr Frank Field (Birkenhead) (Lab) *rose—*

Mr Hague: I will give two more reasons, and then I will give way again. The second and third reasons why I do not support the motion can be stated quickly. The second is that the election manifesto on which we stood as Conservative Members was very clear about the referendum legislation that we would introduce and that, in a coalition, we have now passed into law. We were also clear, having been asked about this many times during the election, that that did not include the option of an in/out referendum.

The third reason is that this Parliament has only recently, just weeks ago, passed with a large majority in this House comprehensive legislation setting out in minute detail the circumstances in which a referendum will be held.

Mr Field: Given that the Foreign Secretary said that if there is further substantial transference of power to Europe, we will have a referendum in this country, and as the Government are advocating closer fiscal and monetary union in Europe, which will obviously lead to major changes, why do they not adopt this motion and fix their own time scale for the referendum that he is promising?

Mr Hague: The only treaty change agreed so far—I am coming to this point—is the one that puts the European stability mechanism on a legal basis, and for that we secured in return, as the Prime Minister explained, that this country will no longer be forced to be part of eurozone bail-outs. We will respond to every proposal by putting forward what we need in return.

Any treaty that transfers power to the European Union, and that is interpreted not just by Ministers but by the courts of this country as doing so, will result in a referendum for the people of the United Kingdom.

Several hon. Members *rose—*

Mr Hague: Let me give my fourth reason before giving way to a Liberal Democrat Member.

As the Prime Minister said, there is a serious danger that while holding a referendum such as the one advocated —it is predicated on a Bill in the next session of Parliament, which runs from 2012 to 2013 and means that a referendum would be in 2013 or later—we would lose important opportunities to protect or to further our national interest in the meantime. On all those areas where we need the agreement of others—from the shape of the EU budget up to 2020, to agreement on our requirements for any treaty change—it could be harder, not easier, to get our way.

Simon Hughes (Bermondsey and Old Southwark) (LD): Although of course the Foreign Secretary and his party, and I and mine, come from different positions on Europe, we both made commitments to referendums, but both were conditional on there being a shift of power from this country to Brussels. It therefore must be right that, at the moment, we concentrate on helping our colleagues to sort out the European crisis, which is what businesses want us to do, and on getting our economy to grow again, which is what our constituents, in and out of work, want us to do. The referendum would be an absolute and immediate distraction from that.

Mr Hague: That is one of the reasons I am giving.

My fifth reason is that the concept of holding a three-way referendum as set out in the motion is innovative but seriously flawed. Leaving aside for a moment all the uncertainty and difficulty which would occur in the run-up to a referendum, which is my final point, if we are serious about this we have to think carefully about what would actually happen in a three-way vote. It is highly unlikely that any one of the three options would receive more than 50% of the votes. If, for the sake of argument, 40% of people voted to stay in, 30% voted to leave, and 30% voted to renegotiate, would that mean that we stayed in without any renegotiation at all? Is this to be a first-past-the-post referendum or a preferential voting referendum? If it is to be a preferential voting referendum, we have just rejected that system—in a referendum. Perhaps we would have to have a referendum on the voting system for the referendum itself.

Andrew Percy (Brigg and Goole) (Con) *rose—*

Mr Hague: I will give way again in a moment.

If we voted to leave the European Union, would that mean that, like Norway, we were in the European Free Trade Association and in the European Economic Area but still paying towards the EU budget, or, like Switzerland, not in the European Economic Area? If we voted to renegotiate

"based on trade and co-operation",

as the motion says, does that mean that we would be in the single market, or not; still subject to its rules, or not? Does "co-operation" mean that we still work together on a united position on Iran, Syria and other foreign policy positions, or not? When we had renegotiated, would we, given the wide range of possible outcomes, need another referendum on the outcome of the negotiation?

I point these things out because there is a reason why a referendum is normally held on a specific proposition with a yes or no answer, and I believe that any future referendum must be held on that basis, not as a multiple choice among vaguely defined propositions.

Several hon. Members *rose—*

Mr Hague: I said that I would give way again, and I give way to my hon. Friend the Member for Wycombe (Steve Baker).

Steve Baker (Wycombe) (Con): Surely my right hon. Friend must know as well as I do that preferential systems are used in this House for certain votes. Is it not equally the case that for some elections, first past the post is appropriate, and for others, a preferential system is appropriate? Why not have this three-way referendum on the basis of the single transferable vote, as we do in this House for other elections?

Mr Hague: My hon. Friend's argument is that he would have a preferential voting system, but not everybody would, and I am pointing out the difficulties with that.

Kate Hoey *rose—*

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab) *rose—*

Mr Hague: I will give way another couple of times in a moment, but I am trying to help the House to make progress.

My sixth and final problem with the motion is that it does not do justice to the reality that the European Union is not a matter of everything or nothing. We are in the European Union, but not, thankfully, in the euro. We are not in the Schengen border control area. We opt out of many justice and home affairs provisions. I do not believe that most people in Britain want to say yes to everything in the EU or no to everything in the EU; I believe that they want to know that no more powers will be handed over to Brussels without their explicit consent, which is what we have provided for in our Act.

Several hon. Members *rose—*

Mr Hague: I will give way to the hon. Member for Birmingham, Edgbaston (Ms Stuart) and then to my hon. Friend the Member for Stratford-on-Avon (Nadhim Zahawi).

Ms Stuart: I am sure that we still have sufficient time before the Foreign Secretary catches the plane to get him a DVD of his 2008 speech on the Second Reading of the legislation on the Lisbon treaty. He can then blush in the privacy of the aeroplane and probably answer the question as to why he was for referendums then and is against them now, the difference being that now he is in government.

Mr Hague: It will not be necessary to get the DVD—it is on YouTube. I can assure the hon. Lady that my position is exactly the same. I was in favour of a referendum on any treaty that hands over the powers of the people of the United Kingdom, and I am in favour of that now.

Mr Bernard Jenkin (Harwich and North Essex) (Con): I happened to bump into the chairman of the Electoral Commission today and he did not rule out a three-option referendum as impractical. Did my right hon. Friend consult the Electoral Commission on this matter before giving his opinion?

Will my right hon. Friend also bear it in mind that the treaties are now so comprehensive that at the conclusion of the summit he has just attended, the European Union is setting up a new institution that does not even require the British signature on a new treaty: the so-called euro summit of the 17. He and his colleagues are having difficulty keeping track of things because that is how the European Union now works. The veto was the foundation of our membership and it is being eroded before our eyes.

Mr Hague: There is certainly no proposal at the moment to set up such an EU institution. That is an intergovernmental arrangement. Our first priority, as I and the Prime Minister have explained, is to ensure that matters that should be decided at the level of 27 countries are decided by the 27, not by the 17. I am grateful for my hon. Friend's information about the Electoral Commission—another unelected body that is trying to decide what we might do. I am giving my opinion on the consequences of a three-way referendum.

I will give way one more time.

Nadhim Zahawi (Stratford-on-Avon) (Con): Does the Foreign Secretary agree that, whether in business or in politics, the best strategies end up failing if they are badly timed?

Mr Hague: I absolutely agree with that. I reinforce the point that this is the wrong proposition at the wrong time.

The British people want to know that no more powers will be given away without their consent; that at a time of budgetary restraint, EU institutions will be faced with the financial reality, which is what our Prime Minister is doing; that we will address the crisis in the eurozone with clarity about what should be done, while minimising the exposure of the British taxpayer, which is what the Prime Minister and the Chancellor are engaged in; that we will make a passionate case for Europe to take measures that help growth and free up businesses to trade and expand, which is what we are doing; that we will do nothing to add to economic uncertainty at a difficult and dangerous time; and that we will seek to repatriate powers as the opportunity arises, which is my position and that of the Prime Minister. That is the right policy for the United Kingdom.

5.16 pm

Mr Douglas Alexander (Paisley and Renfrewshire South) (Lab): It is a pleasure, as always, to speak after the Foreign Secretary. This debate takes place at a time of great peril and uncertainty for the British and European economies. I am sorry that the Prime Minister and Deputy Prime Minister, for whatever reason, have felt unable to join us in the Chamber for the debate, which has already revealed, no matter what the result in the Division Lobbies this evening, the scale of division on the Government Benches.

I urge opposition to the motion because I do not believe that Britain's national interest would be served by spending the coming months and years debating the case for Britain leaving the world's largest single market. Recent figures have revealed that there has been zero growth in the economy since last autumn. Unemployment is rising again and has reached a 17-year high. Almost 1 million young people are unable to find work. Amid all the passion generated by this debate, no one can dispute the enduring significance of European markets to Britain's economic prospects.

Mr Graham Stuart (Beverley and Holderness) (Con): Will the right hon. Gentleman give way?

Mr Alexander: I will make a little progress, then I will be happy to give way.

Let me share with the House the description of Europe's economic importance to Britain given to me in a recent parliamentary answer by none other than the Foreign Secretary:

"European markets account for half of the UK's overall trade and foreign investments and as a result, around 3.5 million jobs in the UK are linked to the export of goods and services to the EU."

He states that those markets provide

"the world's most important trading zone, generating total GDP close to £10 billion in 2010".—[*Official Report*, 12 July 2011; Vol. 531, c. 256W.]

In what I hope was a drafting error rather than an economic forecast, he of course got the size of Europe's GDP wrong by a factor of 1,000. It actually had a GDP close to £10 trillion in 2010. The importance of the European economy to the British economy is none the less clear.

Mr Redwood: Does the right hon. Gentleman not agree that if Britain seeks a better deal, Germany will not turn around and say that it will not sell us any more cars and France will not say that it will sell us no more wine? That is an absurd scare.

Mr Alexander: Talking of absurd scares, it is now 12 years since the right hon. Gentleman pronounced the death of Britain in his book, so I am a little cautious of taking his advice on the matter.

All of us are aware that growth is stalling in Europe. Indeed, growth forecasts were downgraded in Germany just last week. We need to consider the economic effects at home and in our largest export markets abroad if the motion were to be passed. Businesses deciding whether to invest in Britain at this crucial time would have to make that decision not knowing whether it would still be in the European Union by the time that investment came to fruition.

Mr Cash: I would be most grateful if the shadow Foreign Secretary would answer the question that I put to the Foreign Secretary about the tremendous advantages that they claim for this economic miracle of Europe. How do you explain that under your watch, when you were in government—*[Interruption.]* Not yours, Mr Speaker. Can he explain why, under Labour's watch, the trade deficit with the other 26 member states went up from minus £14 billion to minus £53 billion in one year between 2009 and 2010?

Mr Speaker: Order. May I just remind the hon. Gentleman that I have never been in government, and fortunately never will be?

Mr Alexander: The global financial crisis that was suffered in 2007 is hardly news to anybody in the House. Indeed, it seems to me that there is a broadening consensus that international economic circumstances affect the performance of the British economy. We are increasingly hearing that line from the Chancellor of the Exchequer.

The House has only recently debated the circumstances in which it judged it appropriate for a referendum to take place, and tried to formalise the process by which to decide what is significant and what is not. The current Government legislated for that in the European Union Act 2011.

Mr Graham Stuart: Does the right hon. Gentleman accept his role in the corrosive state of public mistrust in politics, after promising a referendum on the European constitution, aka Lisbon, and then breaking that promise, and of course after agreeing to the bail-out in the dying days of the last Government? Have the billions of pounds of public money that have been spent on that helped jobs in this country? I suggest to him that they have not.

Mr Alexander: First, the inconvenient truth for the hon. Gentleman is that there is no EU constitution. It was rejected by the Dutch and French voters. Secondly, if I recall properly, the newest member of the Cabinet, the Transport Secretary, is on record as having written a letter confirming the cross-party nature of support for the steps that were taken. In that sense, the hon. Gentleman might be better directing his question to the newest member of the Cabinet.

Several hon. Members *rose—*

Mr Alexander: I am keen to make a little progress, then I will give way again.

What is proposed on the Order Paper is something entirely different from the recent debates. The motion suggests that the priority should be to debate, campaign on and decide on the question whether Britain should exit the European Union. That is the question of substance that sits beneath the motion—whether it is in Britain's national interest to leave the EU.

I do not wish to intrude too much on the private grief of Conservative Back Benchers, but their disappointment in their Front Benchers is so great because their hopes were so high. The Foreign Secretary has journeyed a long way, because it was he who said:

> "If you believe in an independent Britain then come with me and I will give you back your country."

Yet if he was not rather conveniently getting on a plane to Australia this evening, the self-same Foreign Secretary would be coming with me into the No Lobby to support membership of the European Union. Along with the rest of the Conservative Front Benchers, he is today marooned between past pandering and his present position; between the rhetoric of opposition and the realities of government.

Nadhim Zahawi: Is the right hon. Gentleman's party's policy still to take this country into the euro?

Mr Alexander: It was the Labour Government who judged—

Nadhim Zahawi: Yes or no?

Mr Alexander: Just let me answer the question. The economics were not right to enter the euro; the economics are not right to enter the euro; and we do not envisage circumstances in which the economics will be right to enter the euro in the foreseeable future.

Let me offer Government Members a further argument about how they should vote this evening:

> "What most people want in this country, I believe, is not actually to leave the European Union, but to reform the European Union".

Those were not my words but the words of their own Prime Minister. And what of the Prime Minister's real influence in Europe, about which we have heard something this afternoon? It is true that European leaders have been arguing for months, but President Sarkozy's comments last night, which seem to have engendered pride among Conservative Members, confirmed that about the only thing that European leaders can agree upon is how unconvincing they find the stance of the British Prime Minister. Let me share with the House the President's words. He said:

> "We're sick of you criticising us and telling us what to do. You say you hate the euro...and now you want to interfere in our meetings".

When I read that, I thought for a moment that the President had joined the 1922 committee. The President, European leaders and even 1922 committee members are unconvinced by the position that the Prime Minister has adopted.

The Prime Minister boasts to the House that he will have a leading role when European leaders gather at lunch on Wednesday, but on last night's performance, he will be lucky to get a bread roll from them. The Prime Minister's isolation results directly from the sad truth that in recent weeks, the Government have spent more time negotiating with their Back Benchers than they have spent negotiating with European partners.

Mr Baron: May I suggest that the right hon. Gentleman is creating an Aunt Sally by talking about the economics of the EU? This debate is about whether we give a say to the British people by having a referendum on the future direction of the EU. Why will he not accept that there is disillusionment about ever-closer political union, and that this debate is not about free trade and access to EU markets?

Mr Alexander: First, the hon. Gentleman could have directed that question at the Foreign Secretary. Secondly, it is in the character of the EU that it is not open to the UK to say, "We will involve ourselves exclusively in economic and trade matters," because we need to secure the support of other European partners for such changes. I accept that there is a concern among the British public in relation to Europe. My answer to that concern is not to leave Europe, but to reform it. In that way at least, I agree with Conservative Front Benchers.

Mr David: Would it not be far better for the Prime Minister of this country to argue the case for a growth strategy for the whole of the European Union instead of arguing with his Back Benchers?

Mr Alexander: We waited in vain for answers to the Leader of the Opposition's questions on the British Government's position on what should happen on Wednesday in relation to the scale and significance of the bail-out fund for Greece, and even if the issue of Greek debt is addressed, profound questions remain on economic growth and productivity.

Andrew Bridgen: Does the right hon. Gentleman recall that the previous Labour Government gave away a huge amount of our annual rebate in return for the reform of the common agricultural policy? How successful has that reform been?

Mr Alexander: I am glad that at least a degree of truth is entering our discussions—it was suggested earlier that the rebate had not been continued—but I recollect well the circumstances in which those negotiations took place back in 2005. If I recall correctly, there was broad cross-party agreement that we had a responsibility to welcome the A10—the new members of the EU—and that it was inevitable that the European budget would be adjusted to reflect their entry. I am unyielding in my continued commitment to the need for reform of the CAP—I hope that that is another matter on which there is genuine cross-party agreement.

Michael Connarty: There is a lot of talk about being honest with the British people. My right hon. Friend has exposed the false prospectus of the main Government party, but he has been light in tackling the Liberal Democrats, who committed themselves to a referendum, and who are now jumping into bed with the Tories just to keep—so it seems to me—their ministerial cars.

Mr Alexander: I want to deal with business before pleasure. That the Liberal Democrats take strong, principled stands in their manifesto and choose to break them only a matter of months later might simply be habitual, but I await with interest a speech from a Liberal Democrat that tries to make sense of the contortions that they have got themselves into.

Mr Jim Cunningham (Coventry South) (Lab): Does my right hon. Friend agree that Government Members seriously underestimated the economic situation worldwide and thought that they could confine it to Britain, and that as a result the Prime Minister will have less credibility in Europe when he tries to renegotiate some of the powers that have been given to Europe?

Mr Alexander: I have great sympathy with that point. For many months before and after the election, the Conservative party suggested that Lehman Brothers collapsed and the Greek economy was in difficulty because the Labour Government built too many schools and hospitals and employed too many doctors and nurses. The Government are now attempting suddenly to change their story and attribute their having, this year alone, to reduce the growth forecast four times—if I recollect correctly—to the fact that the Greek and European economies are not performing appropriately. That they are having so much difficulty explaining the inadequacy of their own policy is diminishing their credibility not only in the halls of the European Council, but among the British public.

Martin Horwood *rose—*

Mr Alexander: I am happy to give way to a Liberal Democrat.

Martin Horwood: The right hon. Gentleman is making an unfortunately partisan speech and misrepresenting the clear Liberal Democrat pledge to support a referendum at the time of a fundamental shift in the relationship between Britain and Europe—I am sure that that will be pointed out many times today. Should we not instead be uniting to counter the threat to the £351 billion of direct investment from other EU states posed by discussion of a referendum at this vital time?

Mr Alexander: I think that the person who started with a partisan speech was the Foreign Secretary, who was at pains continually to assert the position of the Conservative party—a very different approach from that of speaking on behalf of the Government, which is the conventional approach from Government members. However, if the hon. Member for Cheltenham (Martin Horwood) wants to continue to defend and account for the position of the Liberal Democrats, I wish him the best of luck.

Robert Halfon (Harlow) (Con): Why does the right hon. Gentleman persist in treating the electorate as fools by describing the Lisbon treaty as not a European constitution, when everybody else knows that it is? Is this not one reason why there is so much mistrust in Europe?

Mr Alexander: Some of the frustration and disappointment I hear from the Government Benches would be better directed towards the Treasury Bench, rather than the Opposition. On Lisbon, one need only recollect the cast-iron guarantee that the now Prime Minister offered to his own Back Benchers. The position on Lisbon has been well-rehearsed. What was new, frankly, was the Prime Minister's statement today that he supported a referendum on Maastricht. That must have been news to the Foreign Secretary, who entered the Division Lobby to oppose such a referendum—if I recollect correctly.

Mr Jenkin: The right hon. Gentleman says that we should concentrate on reforming the EU from within, but what happened during 13 years of Labour Government? They failed to reform the CAP and the budget, while the accounts have not been signed off for more than 14 years. What happened to the Lisbon competitiveness agenda, signed up to in 2010, to make Europe the most competitive economy in the world? Where were we by 2010? Has he not demonstrated that he tested that policy to destruction and that there must be change?

Mr Alexander: The hon. Gentleman takes an honourable position with which I disagree: that Britain's best interests are served by leaving the EU. On the EU's changing character, I would pray in aid the accession of 10 new members of what was previously the eastern bloc and the change that that has effected to the balance within the EU. Of course, however, there are continuing challenges, which is why I regard it as such a disappointment that the Government seem to glory in the isolation that the

Prime Minister has secured for himself, when we should be arguing for continued reform not just of the European budget—

Mr Jenkin: You failed.

Mr Alexander: It was the hon. Gentleman's own Prime Minister who went to Brussels last year asserting that there was going to be no rise in the European budget but left having voted in favour of a rise.

Mr MacShane: Can my right hon. Friend confirm that under Margaret Thatcher the CAP took 70% of the EEC-EU budgets, but that that figure is now less than 40%, and that under John Major the EU budget was 1.23% of European gross domestic product, but that it is now 1%? It is not perfect, but reform goes on all the time, and I wish the Foreign Secretary well as he continues those reforms. But do not live with these myths.

Mr Alexander: I concur with the bipartisan character of that intervention. The Prime Minister's isolation results directly from the sad truth that in recent weeks the Government seem to have spent more time negotiating with the people from whom we have just heard.

Several hon. Members *rose—*

Mr Alexander: No, I shall make some progress.

By default or design, the Government's habit of sitting on the sidelines, only criticising and carping, has proved to be genuinely bad for Britain and the prospects for reform within Europe. All parties support the single market. We want to see reforms on the digital economy, services and energy that could make a real, practical difference to the lives and opportunities of British companies and consumers. All parties support European-level co-ordination on issues where we can work together internationally, such as—I agree with the Foreign Secretary on this—cutting off the oil that helps to prop up the Syrian regime of President Assad.

The way to address the present concerns is reform of Europe, not exit from Europe. Britain's economy is flatlining and Europe's economy is in crisis. Putting off investment and undermining confidence at such a critical time would be the wrong choice for this House and the country. The right course for British growth, British jobs and British interests is to reject the motion before the House.

5.35 pm

Mark Pritchard (The Wrekin) (Con): I understand that I have only five minutes, so I will take only two interventions—if people want to intervene—if colleagues do not mind.

I would like to address first the process and principle of the motion and then present-day Europe, if colleagues will forgive the alliteration. The origins of today's debate lie in the Government's democratic outreach, through e-petitions. More than 100,000 people signed an e-petition calling for a debate in Parliament on this issue. The Backbench Business Committee then decided that to be the right debate to bring before Parliament and, as Members will know, that Committee is elected by the House. This debate has not been brought about by a small or large number of Conservative Back Benchers, therefore; it is a response to the will and the voice of the British people.

Also, it is wrong to try to frame this debate as calling for an immediate referendum or, indeed, for an in-or-out referendum. That is clearly not the case, as is self-evident from the motion, which is mainstream and inclusive. The motion calls for a Bill and has a timetable referring to this Session. As colleagues will know, that Bill might not come forward for another 18 months and would be subject to the same drafting, the same consultation and the same amendments and new clauses as any other Bill. Therefore, to suggest that the motion necessarily reflects what would be in the Bill is disingenuous at best. Any subsequent referendum would also be consulted on with the Electoral Commission in the normal way and would not necessarily reflect the motion before the House today. This is not about an immediate referendum—I would not support an immediate referendum—nor is it about an in-or-out referendum, which I would not support at this stage. I support a trade-plus relationship with Europe; let us see how Europe responds. If it does not respond, perhaps the British people in future will demand that this Parliament move to an in-or-out referendum.

Andrew Percy: Is not the point that as far as pro-Europeans are concerned there will never be a right time for a referendum? Indeed, we could see constituents in Scotland voting on their relationship with the Union with England, while our constituents in England will be denied any say about our relationship with Europe.

Mark Pritchard: My hon. Friend makes an excellent point, as always. We have had referendums on a range of issues, whether in Northern Ireland, London, Wales or Scotland—indeed, referendums on anything but the European issue. I hope that that will change.

Some have accused some Government Members—and even some Opposition Members—of making Europe an issue. I would remind the House that Europe is an issue today because Europe is making itself an issue, not those on our Back Benches. On the principle, millions of people have never had a say on the European question, as my hon. Friend the Member for Bury North (Mr Nuttall) said, because they either had not been born or were not old enough to vote in 1975. Even among those who were old enough to vote, many thought that they were signing up for a common market, not a political union.

Bob Stewart (Beckenham) (Con): I was old enough to vote in 1975, and I voted for joining the European Union for economic reasons and nothing else. It has changed hugely in my lifetime, and I would now like a vote on whether we continue with the slide into a political union. Does my hon. Friend agree?

Mark Pritchard: My hon. Friend makes his point eloquently. He and others signed up to a common market, but that has not turned out to be the case. The millions of people in the group that I call the "great disenfranchised" need to be enfranchised. They are the lost generation of voters that the political establishment in this country has left behind.

Damian Collins (Folkestone and Hythe) (Con): Will my hon. Friend give way?

Mark Pritchard: Forgive me; I will not have any more time if I give way.

No politician should have anything to fear from the ballot box. This is not just about the narrow renegotiation of powers, or the question of in or out, or remaining in the European Union on the present terms, although that is the text of the motion. This is fundamentally about freedom and democracy, and about ensuring that the European project has ongoing democratic legitimacy, which it currently lacks. I believe that the 1975 referendum result has now passed its sell-by date.

Europe is going to become more of an issue, not less of one. That is self-evident, given the possibility of a financial transaction tax—I welcome the Government's opposition to that—or of more bail-outs up to 2013. There might not be any beyond that point, but there is always the possibility of back-door bail-outs through low-cost International Monetary Fund loans. There are also the questions of fiscal union, of the loss of Britain's veto that President Barroso hinted at the other day, and of a single Treasury. Most of my predictions are wrong, so I give the House a big health warning here, but I predict that we might move more rapidly along a fast track to the first elected EU President under a universal franchise. All those things must be resisted. There are those who argue that the renegotiation of powers should come after a referendum. I disagree. I believe that a referendum would empower the Prime Minister to go to Brussels to negotiate. It would also put Brussels on notice that it needed to listen to the British people.

My parliamentary colleagues have come under some pressure, and I say to all of them who are supporting the motion today that they are not rebels; they are patriots. They are people of their country. There are those who say that members of my party are obsessed by Europe, but there is only one obsession on these Benches today, and that is an obsession with growing the economy and tackling the deficit left by Labour. That should not be replaced by the obsession of those who obsess about not giving the people a voice.

I say to my right hon. Friend the Foreign Secretary, for whom I have a huge respect, that the domestic politics of this country can no longer be disaggregated from the economics of the eurozone or the European Union. Europe will therefore have to be dealt with at some point, whether this evening or at some other time in the near future. We as a party, as a country, as a democracy and as a Parliament should listen to the people and be ahead of the political curve, rather than behind it. There are those who are calling for a fresh start. What better fresh start than a fresh vote? Let us do the right thing by allowing all the British people their birthright: a vote on the destiny of their own country. I say to all those who want to support the motion: history is on our side. I say to the Government: we may have a referendum lock, but please don't start to unpick it.

5.43 pm

Mr David Crausby (Bolton North East) (Lab): I will not be voting for the motion this evening, not because I do not believe that the British electorate are entitled to a referendum on European membership; I do. I shall not vote for the motion because the third option makes complete nonsense of the proposal. It establishes the motion as belonging to the far right of the Conservative party, which wants nostalgically to return to the 1970s when the common market was a big businessmen's club with no workers rights that contained only nine member states. If that were not the case, the motion would include further left-wing options to improve workers rights, for example, but then it would start to look like an even more ridiculous referendum.

The matter should be clear. The question should be whether we should be in or out of Europe. The present three-way proposal would result in a complete dog's breakfast, leaving the British people as frustrated as ever. What is clear to me, however, is that public dissatisfaction with our Euro-relationship will not go away because Britain has never really had a fair and democratic say.

We were taken into the Common Market in the first place by a Conservative Government without a referendum because Ted Heath knew full well that the public would not have voted for entry. He was well rewarded by defeat at the next election. When Harold Wilson delivered his promised referendum on the so-called negotiated terms, it was a complete farce. To be fair, his Government were rewarded by defeat at the next election.

Kelvin Hopkins (Luton North) (Lab): I was active in the Labour party at that time and I voted no. My hon. Friend might remember that the great majority of Labour MPs at that time voted no in the referendum and that a special Labour party conference had a big no vote on the referendum as well. It was the leadership who supported our continued membership of Europe.

Mr Crausby: Things have certainly changed. The 1975 referendum yes campaign was all about arguing that leaving Europe would take us into isolation. There were even claims from the yes campaign that if we left we would be starved of food. My own employer at the time wrote to every employee, urging them to vote yes, claiming that leaving the Common Market would cost jobs. They employed more than 3,000 people at that time; now they employ just 100—so I suppose matters could have been worse.

Graham Stringer (Blackley and Broughton) (Lab): I was on the same side as my hon. Friend in 1975 and I voted to come out of the EEC as it then was, but does he agree that the biggest lie told then about the referendum on entry to the EEC was by Ted Heath when he said that there would be no loss of sovereignty?

Mr Crausby: I will come to that. Voters were deceived by promises of huge increases in national prosperity and soothed by the leadership of the three political parties into voting yes. On one side of the argument sat the three party leaders—Harold Wilson, Ted Heath and Jeremy Thorpe—and on the other sat Enoch Powell and Tony Benn. The British media almost universally portrayed the issue as established common sense against the extreme fringes. The Government produced a document entitled "Britain's New Deal in Europe"—I kept it because I knew I would be able to hold it against them one day—in red, white and blue. It recommended a yes vote; it was delivered by the Post Office to every home and it made clear promises. The most important promise was that Britain had a veto on all important new policies and developments. It said:

> "No important new policy can be decided in Brussels or anywhere else without the consent of a British Minister answerable to a British Government and British Parliament."

Just 10 years later, another Conservative Government completely reneged on that vital promise without a referendum. This time, it was Margaret Thatcher who gave up Britain's veto when she signed the Single European Act, which actually makes Maastricht and Lisbon look like a sideshow. To talk now about "no new powers to Europe" is, quite frankly, shutting the stable door once the horse has bolted. It may well be that this is not the time to resolve the British people's dissatisfaction with our membership of the European Union, but the time must come.

Michael Connarty: I often find that people list all the things that they are against when they make an argument, but given my hon. Friend's background in the trade union movement, surely he must welcome the fact that the social chapter and social Europe have been massively important for improving the lives of our people?

Mr Crausby: I do, but my point is that we will not resolve this issue until we have sought the consent of the British people, which we have never done.

The leaders of our major political parties must face the facts. If they wish constructively to maintain our relationship with Europe, with public support, they should have the collective courage to take the argument to our people, instead of huddling together against a referendum every time it arises.

5.50 pm

Mr Adam Holloway (Gravesham) (Con): I had no real background in politics when I was elected in 2005. I had been a soldier and a television reporter. In fact, I had never even been into the House of Commons Chamber.

A couple of days before the House sat for the first time after the election, I wandered into the Members' Lobby and chatted to one of the security guards, who let me into the Chamber. It was dark, and I started to think about the historic things that had happened here. I thought of Winston Churchill leading Members out of the House to St Margaret's church to give thanks for the end of the second world war. And then I asked myself, "Why are you thinking about yourself and how clever you are to have got here?" Actually, this was about the thousands of voters in Gravesend, Northfleet and the villages who had allowed me to overturn quite a healthy Labour majority and replace it with a pretty tiny Conservative one.

Did any of us imagine when we made our acceptance speeches at the counts that Members of Parliament would be slagged off to quite the degree that they are now? My mother does not like to tell people that I am a Member of Parliament, because of the response that she receives when she does.

Mr MacShane: Will the hon. Gentleman give way?

Mr Holloway: I should love to.

Mr MacShane: Surely what the hon. Gentleman's mother does not want to admit is that he is a Conservative Member of Parliament. That is the problem.

Mr Holloway: It may have something to do with the fact that she lives in the north of Scotland.

This country developed and exported the simple idea that laws ought not to be made unless they were made by the people's elected representatives, but it seems from some of the e-mails that I have been receiving over the last three days that some of our constituents are quite close to giving up on that notion. Why is that? We hear the reason every time we meet our constituents. "You are all the same," they tell us. "You will say anything to get elected." One of the things on which I have agreed with them over the past seven years is that we should have a referendum at some point, and, in my view, we need to completely rewire our relationship with Europe. We need to be in Europe, not run by Europe.

What we are taking about today is not just Britain's relationship with the European Union, but the authority and legitimacy of this Chamber. During the last Parliament, my right hon. Friend the Prime Minister was one of the leaders of all three parties who expressed the view that we should have a referendum on Europe.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): Will the hon. Gentleman give way?

Mr Holloway: I will not, actually.

The Deputy Prime Minister was even louder in his protestations. He said:

> "The Liberal Democrats believe we should have a real vote on Europe—whether we should be in Europe or out... the public back our position by a margin of 2:1".

I should say that the margin is about the same today. Those statements, and many more from the Front Benches, render irrelevant the arguments that we have heard today about whether this is the right moment for a referendum.

I am sure that if the Government had not liked today's motion, they could have come up with something. What would it say about the relationship between Parliament and the people if we were to deny not only what we have recently promised, but what people out there, at our invitation, have asked us to do through the petition?

I should have much preferred a Conservative Government, but I support this Government sincerely and spiritedly. I was one of only about 50 Back Benchers who supported my right hon. Friend the Member for Witney (Mr Cameron) in the leadership election, and now I really do think—I am not just sucking up—that he is a brilliant Prime Minister. I have never voted against the party line, even when I have known enough about what we were discussing to be aware that I should vote against it. I have loved doing my minuscule job as a Parliamentary Private Secretary in the foreign affairs team, whose Ministers I respect—and believe me, they are doing a very good job. Trust me, and again I am not sucking up, they do not come better than the Minister for Europe—"Hear, hear" at this point. *[Laughter.]*

I am mostly enthusiastic about the coalition in private. If you are part of a team, you support it. But if you cannot support a particular policy, the honest course of action is of course to stand down. I want decisions to be closer to the people whom they affect—to be made by local communities, not sent upwards towards Brussels. I am not prepared to go back on my word to my constituents, and I am really staggered that loyal people

[Mr Holloway]

like me have been put in this position. If Britain's future as an independent country is not a proper matter for a referendum, I have absolutely no idea what is.

Mr Cash: Many people in the country, knowing of the integrity and the honesty that is reflected in my hon. Friend's speech and knowing that this honourable gentleman—this honourable friend—has decided that he will resign his position as a Parliamentary Private Secretary in the Foreign Office on a matter of such importance, will commend him for it.

Mr Holloway: Obviously, I completely agree with my hon. Friend.

We do not have the right to give away powers entrusted to us by our constituents. To anyone who is still wondering which way to vote, I say: "Do not try to guess what the result of a referendum would be, and do not worry about wording or timing. You need only ask yourself two questions. First, is this the right thing to do in principle? Secondly, what do your constituents want you to do?" Here is our opportunity to show people that the system can work, that representative government continues to function in the land where it was nurtured and developed, and that patriotism—putting one's country rather than one's own interests first—is not foreign to the House.

Mark Pritchard: Will my hon. Friend give way?

Mr Holloway: No, I really cannot give way now.

Members can repay the confidence placed in them by their constituents on that first evening when they stood on the platform and heard the returning officer mention their name. They should not rebel against the people who sent them here. For me, the bottom line is really quite straightforward. For seven years I have been wandering around telling the good people of Gravesham that we should have a referendum, and that we should renegotiate our position. Let me end by saying this: "If you have done the same, you must support the motion."

5.57 pm

Mr Nigel Dodds (Belfast North) (DUP): It is a pleasure to follow the hon. Member for Gravesham (Mr Holloway). I salute him and commend what he has done in putting the country and his constituents before his party. I think that Members here, and his constituents, will praise him loudly for his actions today.

The Foreign Secretary described this as a symbolic debate, and I suppose that there is something symbolic in the fact that tonight, despite his words, he will be heading as far from the European Union as he possibly can—although, if I may paraphrase him slightly, he should think about the rest of us who must stay here until long after he has gone.

The people who deserve to be given credit first tonight are those who signed the petition to secure the debate. I was pleased to be able to go to No. 10, along with others from the House and outside, to deliver that petition. I also commend the hon. Member for Bury North (Mr Nuttall) and the Backbench Business Committee for allowing the debate to take place. I think that it is very timely indeed.

We meet in the context of reports that are swirling around of threats against Members of Parliament and their ministerial careers, and all sorts of indications of Members' inability to find new seats should they vote the wrong way tonight. It was said, I think again by the Foreign Secretary, that Members were not adopting a casual approach to the debate. That is certainly true of the Whips, who have very evidently been far from casual in the lines that they have taken. I think it deeply regrettable that the Whips in all parties should be so vociferous on such an issue. This is a Back-Bench debate, and people should be allowed to have their say and vote freely.

One of the problems most evident in political discourse in society today, throughout the United Kingdom, is the disconnection between Parliament—and political leaders—and the people. There is no better illustration of that than the spectacle tonight, in the House, of three party leaders and leaderships telling Members of Parliament, many of whom—in all parties—want a referendum and want to let the people have their say, that they must vote against that. I believe that although the vote may be won today by the party leaderships and the Whips, ultimately the people will have their say, because we have seen throughout the rest of the world that the people cannot be denied their democratic will.

Anne Marie Morris (Newton Abbot) (Con): Does the right hon. Gentleman therefore agree that, in the words of Gandhi:

"Evolution of democracy is not possible if we are not prepared to hear the other side"?

Mr Dodds: I entirely agree, and I think that people in all parts of the United Kingdom who are listening to the debate will be mystified by some of the arguments being put forward, which are completely contrary to their wish simply to have a choice. Regardless of whether people are for or against the EU, they are entitled to have their say.

We have witnessed a breach of trust by the Labour party. It denied the people of this country a vote on the Lisbon treaty, which was, in effect, a European constitution. The Conservative party has done the same thing, because before the last election the Prime Minister gave a cast-iron guarantee that there would be a vote; and the Lib Dems said, "We must have an in/out referendum," yet we are now told they will vote against tonight's motion.

Dr William McCrea (South Antrim) (DUP): As the majority of the United Kingdom electorate have never voted on our relationship with the rest of Europe, why does my right hon. Friend believe this Government seek to deny them that right through a referendum? Are they afraid of what answer the people might give?

Mr Dodds: I will address the arguments advanced by the Foreign Secretary shortly.

The Democratic Unionist party is the only party in this House that is united in favour of a referendum for the people of the United Kingdom. We have been consistent on that point; we called for a vote on the Lisbon treaty, the Single European Act and Maastricht. We have also been consistent on the euro.

Mr MacShane: Will the right hon. Gentleman give way?

Mr Dodds: I cannot give way again, as I do not want to lose any time. The right hon. Gentleman may well have a chance to speak later on.

Many Members on both sides of the House—including some representing Northern Ireland constituencies—are hiding their views on the euro now. They are shy about letting the people know what they truly believe about it. I am glad that our party has been entirely consistent and principled on that, and that our position has been vindicated.

There are clear reasons for calling a referendum. It is clear that the vast majority of the people of the United Kingdom want a referendum; that is their settled will. Moreover, 36 years have passed since the people have had a chance to deliver a verdict. This is also clearly not a party political issue; rather, it is a constitutional one. Members on both sides of the House hold different views, too, as this is a matter that transcends party allegiance. The people must therefore have their say.

It is nonsense to talk about a referendum being a distraction. The EU and all its works go to the heart of decision making on all aspects of policy in this House and in Government. We must therefore have a chance to deliver our verdict on how the relationship between Europe and the United Kingdom should evolve. Moreover, the crisis in the eurozone and the consequent move to create a tighter fiscal union among its 17 members will have a direct and profound impact on the United Kingdom. That is going to happen, and the Prime Minister has indicated that there is likely to be a treaty change. Therefore, despite the argument advanced by the Foreign Secretary that now is not the right time, it is clear that we are going to have a referendum.

The Foreign Secretary listed the occasions on which he advanced the argument for a referendum. I am glad he did so on those occasions, but I am sorry that he is not advancing that argument now, and that when he did so in the past, there was no talk about a referendum being a distraction and about uncertainty for business. The Conservative party was saying very clearly that it was right to have a referendum. Why, therefore, is now suddenly not the right time?

The crisis in the eurozone offers an opportunity for the British people to be given their say, and we must grasp it. It will be scandalous if the people are denied that chance. We are told that that was not in the manifesto, but that argument does not wash, because a referendum on the alternative vote was not in the manifesto either, yet a referendum on that was inflicted on the people of the United Kingdom.

The Foreign Secretary also claimed that there was a danger that opportunities would be lost if we were distracted by having a referendum, but why should that be the case? Why would we not have the opportunity to continue to advance our case in Europe at the same time as laying the groundwork for a referendum, which he and the Prime Minister admit is likely to be on the cards fairly soon anyway? It is better that we take that into our own hands by making the preparations now, so that we give the people of this country what they want: a referendum.

6.4 pm

Mrs Anne Main (St Albans) (Con): It is a delight to follow the right hon. Member for Belfast North (Mr Dodds), who made an impassioned speech. I am pleased that we are both named signatories to the motion, as that shows that there is cross-party support for this debate. I was, however, disappointed to hear my Prime Minister say in his statement before the debate that tonight's vote will show the will of Parliament, as it clearly will not do so. It will show the will of the Whips; it will show the will of enforcement. It will certainly not show the will of the people, who have voted for us to be elected to Parliament to speak on their behalf. I am therefore saddened, as I would like Parliament to express the will of the people tonight.

My hon. Friend the Member for Gravesham (Mr Holloway) gave a fine speech, in which he pointed out that some people will say anything to get elected. If Members have been going around their constituencies and the country saying, "I'd like to have a referendum," when they have the chance to have one they should be principled. I congratulate my hon. Friend on having taken the principled stance of resigning from his post over this. As he said, he spent seven years telling his constituents, "Given a chance, I would give you the opportunity of a referendum."

It was with a degree of sadness that I dug out the Liberal Democrat leaflet— printed, boldly, in orange. It calls for a real referendum on Europe, and many Members have referred to it. It was printed only a very few months ago, and just before a general election, and I am sure people were giving them out in their thousands. Many people ask what the defining difference is between us and the Liberal Democrats, and perhaps this leaflet helps to answer that. It carries the name of the current Deputy Prime Minister, and a photograph of his face is printed on it, and this is what it says:

"It's been over THIRTY YEARS since the British people last had a vote on Britain's membership of the European Union. That's why the Liberal Democrats want a real referendum on Europe. Only a real referendum on Britain's membership of the EU will let the people decide our country's future. But Labour don't want the people to have their say...The Conservatives only support a limited referendum, on the Lisbon Treaty. Why won't they give the people a say in a real referendum? Not everything is perfect in Europe, but we"—

the Liberal Democrats—

"believe our membership has been good for the country. In Europe we can get real action to tackle climate change...That's why the Liberal Democrats will campaign to stay in Europe in the referendum. But whether you agree with Europe or not, it is vital that you and the British people have a say in a real EU referendum."

The right hon. Member for Leicester East (Keith Vaz) takes a principled position in arguing exactly the same point. He is in favour of the EU, and he could make that argument in a referendum campaign. Moreover, we are not debating nuances tonight.

Mr Redwood: As my hon. Friend noted, when the Liberal Democrats were in opposition they read opinion polls to choose popular policies, but now that they are in government they read opinion polls to choose the most unpopular policies possible. Some 80% of the public do not want a three-line Whip, so they impose one; 67% of the public want a referendum, so they are now against that.

Mrs Main: Well—

Martin Horwood *rose—*

Mrs Main: I shall not give way to Liberal Democrat Members, as they can speak for themselves when they make their speeches. They can explain why, throughout a general election period, they gave out thousands of leaflets promising a real in/out referendum in which they would be prepared to defend their principled stand of wanting to stay in Europe.

I was surprised that the hon. Member for Bolton North East (Mr Crausby) lost the plot by getting hung up on the wording. My hon. Friend the Member for Bury North (Mr Nuttall), who proposed the motion, has got it absolutely right, and I hope the hon. Gentleman reconsiders his position.

The argument tonight is not about the wording; it is about whether or not we give the hundreds of thousands of people who want an opportunity to discuss this issue the chance to do so. Whichever side of the argument people fall on, and whatever the answer may be, we should not be frightened of simply giving them the chance to have that debate. That is what we are voting on. We are not voting on the wording. We are not voting on whether we should be in or out. We are voting on whether we want to give the British people a chance to hear the arguments in a reasoned way, rather than hear them as a result of a knee-jerk referendum called because Europe suddenly decides to do something we do not like. I would much rather that we have the chance, whichever side of the argument we fall on, to go out to make the case in a reasoned way. I would rather the wording be carefully crafted in a Public Bill Committee, not cobbled together because Europe suddenly does something we do not like and we say, "Oops, it's a treaty change. Oops, we need to have a quick referendum."

Let us do this at our pace. Let us not be frightened of the answer. I do not know what the answer will be. It might be one that I do not like, but I am prepared to live with it. I, too, have never voted on whether or not we should have joined the Common Market, as my mother would have called it, but I know from talking to people that they feel strongly that it is now time to talk about this matter, because we are dealing with something completely different. I am sick of hearing the word "referendum" touted around when it is popular with the voters and then seeing it kicked into the long grass when it falls into the "too difficult" box. This is not the "too difficult" box.

Martin Horwood *rose—*

Mrs Main: I am not going to give way to my colleague from the Liberal Democrats, because their speakers can defend themselves tonight. This motion is not in the "too difficult" box, and I am sure that there will be Liberal Democrats who search their conscience and decide to walk through the Lobby with us on a principled motion to give the people the right to have their say.

Martin Horwood *rose—*

Mrs Main: I will give way if the hon. Gentleman is going to explain the Liberal Democrat position.

Martin Horwood: I have explained our position, but I want to ask the hon. Lady about hers. When the Liberal Democrats, at the time of a fundamental shift in the relationship during the course of the Lisbon treaty, actually proposed an in/out referendum, she voted against it. Why was that?

Mrs Main: I ask the hon. Gentleman to join us tonight to say, "This is now what we should be doing." He may just throw brickbats and not consider what the Liberal Democrats promised the people, but he has a chance to renew that promise tonight. We have a chance tonight to engage with what the people are asking us to engage in. Our leader promised us that we would have a chance to vote on the Lisbon treaty and we voted accordingly, but we did not have it. We have a new chance now.

This motion is not about reliving history, but it is about looking at how we have engaged with the voters over the past few years. My hon. Friend the Member for Gravesham has got it absolutely right: we have to be principled. For those who have maintained a principled plea to be given the chance, tonight is that chance. If the wording is not quite as some people would like, they should not worry because there will be a chance to craft it in Committee. Hon. Members should not feel that unless they can agree with every little word in the motion they cannot go through the Lobby with us. The wording is only suggested; the principal thing we are voting on tonight is whether we are going to listen to the people and say, "Let's engage in this argument." Let us not just park it in the "too difficult" grass, with promises of referendums tomorrow, because they may never come; and if they do come, they may come at a very inappropriate time to make the argument with the British people.

6.12 pm

John Cryer (Leyton and Wanstead) (Lab): It is good to see the Foreign Secretary still in his place before he dashes off to this urgent, massively crucial and completely unavoidable meeting in Australia that he has to attend. I am sure that this has absolutely nothing to do with avoiding tonight's vote, and any suggestion that it has is scurrilous. He rightly spoke about scrutiny, but he may recall that when he was an MP under John Major's premiership the then Government removed European questions and the debates on European orders from the Floor of the House, thus reducing the scrutiny, because things were getting a bit lively at that point. If he will not agree to a referendum, perhaps he will agree to bring European questions and European orders back to the Floor of the House.

Having got that small point over with, may I say that I have never been a great supporter of referendums? They can be divisive, they have to be treated with extreme caution and they have been used by dictatorial Governments in the past. The criterion for having a referendum is that a Government pass measures that seek to change the power of the ballot box—that is the time to seek a referendum and seek the consent of the British people. This should not be done at any time other than when a Government seek to change the power of the ballot box.

Since the last referendum in 1975 which, as has been pointed out, was caused by the Wilson Government, we have had the Single European Act, the Maastricht and

Amsterdam treaties, the growth and stability pact, and the Lisbon and Nice treaties. All those changed the power of the ballot box, most of them—not all—involving huge shifts of power from the democratically elected Governments of western Europe to Brussels and Strasbourg. The Single European Act gave up the veto, which we had been told at the time of the referendum in 1975 would remain permanently. Since then, many of the treaties have shifted perhaps 30 or 40 areas of responsibility from the veto to quality majority voting. For that reason alone, we need a referendum on future membership of the European Union.

This is not an issue among the political elite of western Europe. There is a justifiable perception among a lot of voters, not only in this country but in other western European countries, that there is a tiny political elite at the apex of the European Union which says, "This doesn't matter. We don't want people having their views on Europe tested. We don't want to have to go out to seek people's opinions." That was demonstrated when the Irish people voted against the Nice treaty, as within a day or two the western European Foreign Secretaries issued a communiqué saying, "It's very nice of you to have made a decision; now go away and make another one. Keep trying until you get it right." The legislative process in Ireland was actually changed, by a Bill that took a day to get through all the stages in the Dail, in order to gut the process that led to that referendum. They were then able to rig the following referendum and change the view of the Irish people on the Nice treaty.

Ian Paisley: Does the hon. Gentleman agree that those antics by our neighbours have increased the cynicism towards Europe and all things European?

John Cryer: Yes, I would agree with that. As I believe we all recognise, there is generally a profound cynicism about the political process, not just in Britain but across western Europe. In this country, there are specific reasons for it, but tonight we have the opportunity to restore a bit of trust in the political process. I disagree completely with the three-line Whip being imposed by all the parties. When the leadership of all three parties acts in that way, it tends to foment that cynicism.

One of the great truisms of British politics is that when people move from this side of the House to that side of the House they tend to change their views on Europe pretty rapidly. That has fomented cynicism about the political process. Conservative Members have a chance tonight to restore a bit of face by being consistent in their views on Europe. I was not unanimously loyal during my previous eight years in this place when the Labour party was in government—I voted against my party about 84 times. When I went into the Government Lobby, my then Whip, whom I shall not name, greeted me by saying, "Voting Labour again tonight then, John?" I therefore speak as someone who has rebelled in the past and paid the price for it.

Many Conservatives—I am not talking about the Liberal Democrats because we expect them to be inconsistent—said things about Europe when they went before their selection committees and their electorates and people now expect these things to be upheld tonight. People expect us to be consistent. I suspect that an awful lot of Conservative associations and an awful lot of Conservative voters in those constituencies will applaud Conservative MPs who vote for this motion in the Lobby tonight.

6.17 pm

Mr Charles Walker (Broxbourne) (Con): If not now, when?

Madam Deputy Speaker (Dawn Primarolo): You have to keep an eye on the hon. Gentleman. He has very succinct speeches.

6.18 pm

Natascha Engel (North East Derbyshire) (Lab): That is a fabulous speech to follow, so I thank you for calling me, Madam Deputy Speaker. I wish, not as succinctly, to say that this debate is about one thing only: our democratic deficit. It is not a debate about what is good or bad about the EU. We are debating whether we think that people should have a say on EU membership. In the 36 years since people first voted on our continued membership of the then European Economic Community, they have not been given a say, yet the EEC of 1975—an economic and trading bloc—is not the EU of today, which is a political union underpinned by a part-common currency in crisis.

Several hon. Members *rose*—

Natascha Engel: I will make a little progress and then I will be happy to give way.

The architects of the European Union have created something of such size and complexity that they themselves have admitted that it has become too big to fail. At the same time, for most normal people the EU becomes ever more remote and unaccountable. It is a political project that people feel has gone too far, too fast, with many things that affect their daily lives being determined by Brussels and not Westminster. That makes this a matter of sovereignty.

As my hon. Friend the Member for Leyton and Wanstead (John Cryer) has said, we have referendums very rarely in this country and only on matters that concern how we govern ourselves. As elected politicians who govern, we have a vested interest in this matter, and because we have a vested interest it is a matter that we should not decide just for ourselves. Over the weekend and in the earlier statement the Government argued that now is not the right time to hold a referendum because of the crisis in the eurozone, but it is precisely that crisis that has demonstrated to us how bound up in Europe we have become politically and economically and how little influence we have over the decisions that are taken.

The truth is that the "not the right time" argument has nothing to do with markets and everything to do with what people might say. The Government are worried that people might say no, and, as every experienced politician knows, you do not ask the question unless you are sure that you will get the answer you want. No is not the answer that the Government want.

Last summer, the Government introduced e-petitions to engage and better connect with people and to give them a chance to have their say. The Government promised that any e-petition that gained more than

[Natascha Engel]

100,000 signatures would be taken very seriously by the House. We have welcomed the debates on the riots and on Hillsborough, but when it comes to something that is inconvenient and that the Government do not want to have debated, suddenly now is not the right time. If we pick and choose, we are telling people that politicians will decide what people are and, more importantly, what they are not allowed to have a say on. That is not democracy.

Yesterday, we celebrated free and democratic elections in Tunisia. Next week we celebrate Parliament week and this year's theme is stories of democracy. What a terrible shame it would be if today we took one of the most anti-democratic decisions of our generation and denied people a say on something as fundamental as who governs them.

6.22 pm

Mr Robert Walter (North Dorset) (Con): May I reassure hon. Members on both sides of the House that I shall be voting tonight not in response to a three-line Whip but in what I believe is the national interest?

I am saddened by some of the comments I have heard in the Chamber today. Since 1960, the Conservative party and Conservative Governments, whether it was Harold Macmillan, Alexander Douglas-Home, Ted Heath, Margaret Thatcher or John Major, have always believed that our future was in Europe, and my right hon. Friend the Prime Minister follows in that tradition.

It was from the embers of the second world war—a Europe torn apart by Germany and Italy—which for many was the second terrible war in a generation after the great war, or the war to end all wars, that the idea of the European Community and European union was born. I believe that European unity was a cause to end all wars—on this continent at least. I campaigned hard in the 1975 referendum for a yes vote and I remember endless arguments with my late father-in-law who told me not to trust the Germans and certainly never to trust the Italians. He rang me up after the vote and said, "I thought I'd better tell you I voted in the referendum yesterday," and I said, "Oh, yes," expecting him to tell me that he had voted no. He said, "I voted yes—not for me and probably not for you but for my grandchildren." His grandchildren are my children and they are grown up now; indeed, they are the same age as many of my colleagues in the House today.

Mark Lazarowicz: The hon. Gentleman reminds us that the debate about joining the European Economic Community back in 1974 or 1976 was never just an economic argument. It was precisely the argument about securing peace in Europe that was behind European union, and that was also one of the factors that was put forward in the debate at that time, although I accept that economic motives were the prime issue in that debate.

Mr Walter: The hon. Gentleman is absolutely right—it was a political argument. What I am sad about is that there are those who want to destroy that legacy and the legacy of those who fought and voted for that lasting peace—a Europe in harmony, comfortable with itself and respecting differences of culture, language, history and nationality, but confident in its ability to work together.

Mr Cash: I just want to mention to my hon. Friend that my father was killed in the war in Normandy and I am sure that he, together with all the others, also appreciated that what they were doing was fighting for freedom and for the democracy that is being put at risk by opposition to this motion.

Mr Walter: I hope that that is not correct and I remind my hon. Friend that he and I first met when we were both on a committee of the European Movement, which, of course, had just campaigned for a yes vote in that very referendum.

Mr Redwood *rose—*

Mr Walter: I shall not give way any more.

The world has shrunk. More than ever, we travel, we trade and we live in each other's countries. In 1972, this House voted not only to be part of that common European future but to be an architect of its destiny as a full member of the European Community. The European Union is not a perfect form of government, but neither are the British Government, any Department of State or any local government. If that were the case, we would not be here; we would all be wasting our time.

Mr Redwood: Will my hon. Friend give way?

Andrew Percy: Will my hon. Friend give way?

Mr Walter: I will not give way any more; I really need to get on.

The European Commission and the European Parliament have ideas and aspirations that sit more than awkwardly with the concept that we all have of a sovereign state. There are those in Brussels who see national Governments and national Parliaments as a nuisance and who think that life would be much simpler if we decided everything at a European level, but thank God we live in a democracy. Thank God we have Members of the European Parliament who are prepared to stand up for the British interest and, more particularly, that we have Ministers and a Prime Minister who can go to Brussels, argue our case and succeed.

What is it that my colleagues and friends want from any new treaty? Have we not had enough of treaties? Can we not at least make the one that we have work? What would a new treaty do? Would it relegate us to the European Free Trade Association or the European economic area? Would it get us the Norwegian deal? They argue that the EU would have to give us access to the single market—yes, but at what price? Norway does not have a free ride in its access to the single market. It does not contribute to the common agricultural policy but it jolly well pays its share to other areas of the EU budget and it gets absolutely nothing back. What is more, its price for access means that it too implements all EU directives—in fact, it has a better record than us, with 99.6% of EU directives having been implemented by the Norwegian Parliament—but the difference is that it has no Ministers at the table when they are discussed. It has no commissioner, no parliamentary

representation in co-decision and it has to accept whatever Brussels sends. It is not even a case of, "Take it or leave it;" it is, "Take it, or else."

We cannot blame Brussels and the wicked foreigners for all our woes. To quote the Prime Minister,

"We are all in this together".

Europe needs Britain and Britain needs Europe. My right hon. Friend the Foreign Secretary struck the right note earlier. We are in Europe, our history is European and our destiny is European. As far as I am concerned, we are here to stay and I beg my colleagues to reject the motion.

6.29 pm

Mr Roger Godsiff (Birmingham, Hall Green) (Lab): I regret the fact that the Government's business managers managed to turn inconvenience into a full-scale crisis vote this evening. I regret even more the fact that there is not a free vote across the House tonight. There should have been, and I rather suspect that those on both Front Benches will come to regret the fact that they did not allow a free vote.

I voted for a referendum on the Lisbon treaty, together with some of my hon. Friends. I will vote tonight in support of a referendum. Some of the suggestions that I have heard, that this debate is a distraction or, as somebody said, an irresponsible distraction, are both arrogant and insulting to the vast majority of the people of this country who feel that their views on Europe are not being heard.

Ever since the treaty of Rome was signed, its architects have had a clear objective of moving towards a united states of Europe and in doing so they have followed three steps. The first was ever-closer union, political and economic. The Single European Act, which Mrs Thatcher signed, was a massive step in that direction, as was the creation of a single currency. The second aim has been to move relentlessly forward—take two steps forward, a massive great row, go into denial, label objectors mad or worse, take one step back, wait for the fury to subside, then move two steps forward again.

The third and most important objective has been to avoid whenever possible giving the electorates of Europe a direct say in decision making. If some member states are legally obliged to have referendums, as happened in France and Holland, then the approach has been to play down the importance of the issues, say they are purely technical, just a tidying-up exercise, not something to bother the electorates of Europe. The reason is obvious. We all know that if we ask the people a question, we might get the answer that we do not want.

The creation of the eurozone is just another attempt to move forward the project of a federal united states of Europe. The creation of the euro was always economic nonsense. There has never in the history of the world been a successful monetary union without a fiscal union as well. It was a house built on quicksand, not a house that caught fire. It does not matter how much money is thrown at it to try to underpin it. It does not matter how much financial scaffolding is put around it. It will fail. It is not me saying this: the markets have already made their decision. They know that the euro is unsustainable. They know that it is built on quicksand. They know it is going to fail, and if the politicians are not on the same wavelength, that is their problem.

The only way out is full fiscal union. I agree with the Chancellor when he urged the members of the eurozone to move towards that. At least that is logical. But in doing so, members of the eurozone will have to cede all their tax-raising and all their spending powers to the Commission in Brussels. That will be a massive step towards the creation of a united states of Europe. Whether the member countries of the eurozone wish that to happen is a matter for them.

The reason why so many people are angry in this country and why the opinion polls seem to show that they are anti-Europe is that they feel that nobody is listening to them. That is bad for democracy. Today the Prime Minister and the Foreign Secretary have set out their stalls and said where they stand. They should put that to the electorate and have it debated in the country. That is what democracy is about. At the end, they should allow the people to decide.

6.34 pm

Sir Malcolm Rifkind (Kensington) (Con): I am against the motion, in part because I think the timing, given the financial chaos in Europe, is highly inappropriate. But that is not the main reason that I would give to the House as to why the motion is unwise. It purports to give three choices to the House and to the country as a whole—in the European Union, out of the European Union, or renegotiation, but as has been pointed out earlier in the debate, that is not really a third option because it is renegotiation with a view to purely a trade relationship in Europe. That is, in effect, leaving the European Union because it involves no sharing of sovereignty. I fully concede that any membership of the European Union at the end of the day must involve, as it always has done, some willingness to acknowledge that sovereignty has to be shared.

Mr Redwood: Has not my right hon. and learned Friend noticed that the motion refers to trade and co-operation to encompass the current Conservative policy?

Sir Malcolm Rifkind: No, I am sorry, that is not the case because present Conservative policy is about sharing sovereignty in certain areas where it is overwhelmingly in our national interest. When we consider what the real options are, the real debate is not whether we should be in Europe or out of Europe, but what kind of European Union we are prepared to be members of.

The assumption of this debate and many other debates is that one side or the other will win. We will either have an even closer union or the European Union will ultimately implode. That might be what will happen if the European Union does not use its own common sense and look to see whether there is a third route.

Mr Baron: Will my right hon. and learned Friend give way?

Sir Malcolm Rifkind: Not at this moment, if my hon. Friend will allow me.

There is a third route and we are already partly along that way—that is, an à la carte Europe, where each member state decides what degree of integration it is prepared to accept in view of its own national history, rather like France being a semi-detached member of

[Sir Malcolm Rifkind]

NATO for 30 years because it believed it to be in the French interest, and NATO did not collapse as a consequence.

I say that we are already part of the way there, because at present, of the 27 member states, only 17 are members of the eurozone. Ten states are not, some because they do not want to be, and some because they could not join even if they wanted to. We are not part of Schengen, nor are the Irish. The neutral countries such as Austria, Ireland, Sweden and Finland have never been fully involved in defence co-operation because of their neutrality.

The problem at present is not that there is not an element of à la carte, but that there is a fiction in the European Union that that is purely temporary—that it is a transition and that we are all going to the same destination and the debate is merely about how long it will take us to get there. No, that is not the case. What we need is a European Union that respects the rights both of those who have a legitimate desire, in terms of their own national interest, for closer integration, and of those of us who do not choose to go that way. That has to be argued and negotiated, sometimes on the basis of considerable acrimony.

Mark Pritchard: My right hon. and learned Friend talks about renegotiating and repatriating powers. What powers and what timetable does he envisage?

Sir Malcolm Rifkind: As I said, the idea of an à la carte Europe is already partly there, but it should not just be a privilege; it should be a right. What we need, not just for the United Kingdom, but for all the member states, is a European Union where we will not stop France and Germany if they wish to move to closer integration and fiscal union—that ultimately is their business—but nor must they seek to impose a veto on the level of integration that we should have.

There is an irreducible minimum because, as I mentioned at the beginning of my remarks, a member state cannot simply not participate in the single market, but that does involve substantial sharing of sovereignty in a way that a free trade zone does not. That point does not seem to have been acknowledged by many of the critics. If there is, as we have at present, free movement of labour, that is not consistent with a purist view of national sovereignty, but it is crucially in the interests of the United Kingdom.

Mrs Main *rose—*

Sir Malcolm Rifkind: I have already given way twice. I am sorry, I cannot give way again without losing my own time.

Those are the points of the real debate that we must take forward. It so happens that this is not just a theoretical option. There is a strong possibility that because of the chaos in the eurozone, there will be a need for some treaty change. That will require to be agreed unanimously, and that provides my right hon. Friends the Prime Minister and the Foreign Secretary with what is likely to be an excellent opportunity to take that debate forward and to argue that if other countries wish to go further, we wish to consider the question of the kind of European Union we and perhaps other countries such as Sweden, Denmark and Poland would be content with.

On that basis, I say to the House that we cannot constrain the Foreign Secretary and the Prime Minister in the incredibly difficult negotiations that will take place. To have a debate that might lead to a referendum on whether Britain will remain in the European Union or leave it entirely is such a massive distraction from the real concerns that this country and the rest of Europe have to address. *[Interruption.]* I am sorry, but I am entitled to my view, just as all my hon. Friends are entitled to theirs.

I am conscious that many Members wish to speak and so will conclude my remarks. There have been other occasions of this kind when people have had fundamental differences of principle. I recently read a quote that struck me as highly relevant to our debate. It was from a politician who belonged not to the Conservative party, but to the Labour party. In 1957, Aneurin Bevan, a great believer in unilateral disarmament, spoke to a Labour party conference that was likely to carry a resolution in favour of unilateral disarmament. He told his own party:

"if you carry this resolution and follow out all its implications... you will send a British Foreign Secretary, whoever he may be, naked into the conference chamber...And you call that statesmanship?"

It was good advice then and remains good advice now.

6.40 pm

Mr Ian Davidson (Glasgow South West) (Lab/Co-op): I can think of no other issue where the gap between the political elites and ordinary people in this country is so great. It is not the most important matter the House will ever discuss, but it is the one where that divergence is greatest. This divergence, and the feeling among the population of the country that their views are ignored, breeds and feeds cynicism about politics in general. The most cynical attempt to avoid that popular opinion was used in relation to the constitution that was not a constitution, because if it had been a constitution, it would have to have been put to a referendum. That was a breathtaking piece of cynicism and manipulation. No Member really believes that it was anything other than a means of overcoming the possibility of popular rejection.

It is therefore beholden on us to take seriously the fact that 100,000 voters have signed an e-petition. It was mentioned earlier that millions of Liberal Democrat voters would reject the proposal in a referendum, but I think that such a view is seriously mistaken, because there are probably no more than 100,000 people prepared to own up to being Liberal Democrat voters, so the number of people who signed the petition is greater than the number of Liberal Democrats in this country.

I think that disillusionment on this question has also been spread by the false prospectus the Conservatives gave to the country as they ran into the general election. There was a feeling in this country that a Conservative Government would stand up for Britain much more and take a more robust view on European matters, but the fact is that they have sold the jerseys. The overwhelming majority of people who voted for the Conservatives, believing that they would stand up to Europe, are now disillusioned, which is why every registration of public opinion indicates that there is a substantial drift of voters from the Conservatives to UKIP on this matter. I

give the Conservatives the following advice for their own good: if they want to stop that drift to UKIP, they must stand up for what they said they would do during the general election. If they wish to say that they would like to do those things, but the Liberals are holding them back, they should come forward and say it honestly, rather than saying, "It's actually much more difficult than we thought and we're up to all sorts of sophisticated things that you are too thick to understand." That is effectively what they are saying.

I am glad that this is not an in/out referendum, because I must confess that I would not have favoured either option. I am not in favour of voting in the referendum to remain in the EU, because that would be seen as a green light to ever-closer union, and I am not willing to be put in a position where the only alternative is to leave the EU, because I do not support that. I believe, as many of my colleagues on the Labour Benches once believed, that there is a third way—the way of reform. I believe that many of those who oppose the motion are doing so under the banner of reform, but are not actually all that serious about reform. They are committed to ever-closer union, but with a little tinkering.

Therefore, I support the motion because I think that the size of the vote tonight matters as a signal to the country that a substantial number of people are strongly committed to strong renegotiation when compared with those who take the view that it should be business as usual. As for those who say that the time is not yet right, I think that that is a disgraceful argument unless they tell us when the time will be right.

Michael Connarty: My hon. Friend was so opposed to the Lisbon treaty that I assumed that he had read it. Can he tell me where there is anything other than one clause that would allow an in/out referendum? There is nothing else in the Lisbon treaty on that?

Mr Davidson: I thank my hon. Friend for giving me an extra minute.

I also think that those who argue that this is simply a distraction would never want to discuss it anyway. They argue that it is not the right time or that this is only a distraction, but would they have said otherwise if the motion had been brought forward two weeks ago, or at some other time? I do not think so. They are in fact more interested in being part of the cosy club. This is an important debate, but as I said before, it is not the most important debate the House will ever have, and the EU is not the most important thing we will ever discuss.

Nadine Dorries: Will the hon. Gentleman give way?

Mr Davidson: For another minute, yes I will.

Nadine Dorries: Does the hon. Gentleman agree that one reason why British people are so engaged on this matter is that, in these difficult economic times, when we are giving £25 million a day to Europe, they want to see not only the repatriation of powers, but the repatriation of some of the money?

Mr Davidson: I agree with that. They would like to see that because what we need to do is move on from the debate we are having today. Whenever I see the three party leaderships lining up together, I think that they must be wrong, and I think that the vast majority of the public take that view as well. At least there is no conspiracy involving the nationalist parties, because they have not bothered to turn up. We do not know what their view is on whether Scotland would be part of an EU that Britain had already left, because that is one of the things they want to fudge and sweep under the carpet.

However, if we want out of the CAP, we ought to be discussing how we can do that? If we want to stop paying so much money to Sicilian gangsters and a variety of other crooks across Europe, how do we manage to do that? If we want to provide genuine bilateral support to those who are much poorer than us in eastern Europe, how do we do it without the middle men cutting chunks out of it? The same concern applies to the third world. How do we ensure that other European countries, individuals and gangs are not siphoning off some of that money? If we want to scrap the common fisheries policy and introduce something better, how do we do that? Those are the sorts of debates we need to have. In my constituency, how can we ensure that local people get local jobs without the EU telling us that they must be advertised Europe-wide? That is what we need to discuss.

6.48 pm

Mr William Cash (Stone) (Con): A few months ago the Prime Minister asked me after a debate to write to him about my views on the European Union, so I wrote him a pamphlet called "It's the EU, stupid." That was a reference not to him, but to Bill Clinton's recognition that the economy is at the heart of the issue. In just the same way, I believe fundamentally, as I have set out in the pamphlet—I will quickly encapsulate some of the thoughts it contains—that this is first of all a matter of principle. The referendum issue has been going around since before the Maastricht referendum campaign. I voted yes, as it happens, in 1975, but since then we have seen the accumulation of powers and the broken promises, betrayals and prevarication. The argument is that it is never the right time to deal with these issues, but that is the problem, and the British people feel that they have been betrayed by a failure to deliver on those promises.

Steve Baker: I would have voted yes in 1975, but does my hon. Friend agree that the EU has gone far beyond that which is necessary to guarantee peace and prosperity?

Mr Cash: Yes, indeed, and I will go further: the EU has created a situation in which it actually damages our economy. That is the problem, and that is the reversal of the situation, with massive over-regulation—£8 billion a year, according to the British Chambers of Commerce—over the past 20 years in this country alone.

As I said earlier in my interventions on the Foreign Secretary and the shadow Foreign Secretary, we are running the single market on a deficit that has gone up in the last year alone by as much as £40 billion, so it would be inconceivable for us not to take a rain-check and say, "We cannot just continue with this and pretend that nothing is going on."

If ever there was a time to tackle the issue in principle, it is now, and that is what the motion is about: whether there is a case for renegotiation or for leaving the European Union. On renegotiation, we must establish

[Mr Cash]

the fact in line with the wishes of the people of this country—not because the Whips have said, "You've got to do this, that and the other" or, with great respect, because the Prime Minister or the Foreign Secretary have said so, but because we have a sacred trust, as elected Members of this House, to do what is right, in the interests of the British people as we see it for our constituents, and in the national interest. This is exactly that issue tonight.

The Prime Minister has given two speeches over the past year or so—one was about rebuilding trust in politics, and the other was about a European policy that we can believe in. I strongly recommend that people tonight, tomorrow or at some point read those speeches again and ask themselves, "What is going on in this debate today?" We know that the Whips have been strongly at work, but I had all that over Maastricht, we have had it over the years and it becomes something that we have to get used to. The reality is that we are doing the right thing for the right reason. That is the point.

Zac Goldsmith (Richmond Park) (Con): My hon. Friend is making an excellent speech. Does he not think that, because the debate has been generated by an e-petition, because it has been made possible by the Backbench Business Committee and because it is an issue that does not divide Members along party lines, it is totally wrong for both party leaders to apply the three-line Whip?

Mr Cash: I absolutely agree. In fact, I think that three parties are involved, and the point applies to all of them.

I should like to return to the Prime Minister's statement today and to test it against what has been going on. He said to us: "Members of my party fought the last election committed to three things," including, "stopping the passage of further powers to the EU." The Foreign Secretary, in his article in *The Daily Telegraph* the day before yesterday, said that he objected to the Lisbon treaty, and he will remember that he, I and many Conservative Members fought, united together, against it line by line—every aspect of it—and fought for a referendum. Yet, we have been watching the implementation of further powers—I do not want to get into the semantics or legal niceties of the word "powers", because I know them as well as anybody else in the House—and every aspect of that Lisbon treaty day in, day out, and many of the problems that we are now experiencing are a result of its implementation.

The Prime Minister went on to say that we have instituted "a referendum lock to require a referendum, by law, for...such transfer of powers", and I have a ten-minute rule Bill on that tomorrow. It would reverse section 4 of the European Union Act 2011, which I opposed on the Floor of the House. I see the Foreign Secretary smiling, because he knows what I am going to say. The real test, as I said to the Prime Minister during his statement, is about fundamental change—constitutional, political and economic. That is the test that needs to be applied, and it was endorsed—by the way—by the Lords Constitution Committee only last year.

Fiscal union, of which I shall explain more tomorrow, is such a fundamental change, but the Government quite deliberately ensured through section 4(4)(b) of the 2011 Act that there would be no referendum when the provision in question applied, in their terms, only to the eurozone and not to us directly. At the very time when we were being told that, however, I and others objected because we felt that such a provision would affect us enormously. We were told that it would not, but now we are told day in, day out how much it does affect us, and that therefore we must not do what we are doing tonight, for the very simple reason that, somehow or other, it will undermine our economic activity with the European Union. That is absolute rubbish. The reason why we are in such difficulties with deficit reduction is that there is no growth, and there is no growth because 50% of all our economic laws come from Europe. It also accounts for 40% of our trade, a point that the Foreign Secretary made, but the fact is that we have a massive trade deficit, as I have already described.

The EU is a failed project. It is an undemocratic project. This vote—this motion—is in the national interest, because it is for democracy, for trust in politics and for the integrity of this House.

6.55 pm

Kate Hoey (Vauxhall) (Lab): I am not sure when the Foreign Secretary has to leave, but he is going to a very important conference, the Commonwealth conference in Australia. Many people in this country believe that the Commonwealth was sold out when we joined the Common Market, and I hope he remembers that by 2050 the 55 members of the Commonwealth will have 38% of the global labour force, while the European Union, with its 27 members, will have only 5%. I hope he goes with that figure in his head to the Commonwealth conference, because then we might actually see much more attention paid to the Commonwealth.

This could have been a wonderful day for Parliament, for democracy and for the new regime—on which the coalition have to be congratulated—of the Backbench Business Committee, with its many keen members. This debate was brought about by a process involving people outside, in the United Kingdom—and let us stop talking about "Britain", please, because when we do we ignore Northern Ireland, which when it comes to a referendum is going to be very important.

Let us not forget, as many Members have said, that this issue has reached us today not only because of the 100,000 e-petition signatories, but because of the many organisations that have brought together different types of petition and written to people. It is not just about e-petitions.

Millions of people out there are watching what we are doing today, but the three party leaders, to whom my hon. Friend the Member for Glasgow South West (Mr Davidson) referred, have it seems almost—I am not sure whether I am allowed to use the word—colluded to ensure that Members do not have a free vote. I am therefore so pleased to hear tonight not just from my own side, but from people on the opposing Benches how many Members are prepared to say, "Party Whips are fine, because of course we are elected from our party, but sometimes the issue is more important than the party." This issue is more important than the party, and that is why we have so much cross-party involvement in and support for the motion.

Mark Lazarowicz: Will my hon. Friend give way?

Kate Hoey: No, I will not, at this point—and not to you.

A number of points have been made, and I want to make just a few short ones. On the idea that the issue is a distraction, I have to say that the European Union is the thread that runs though every part of every law that we make in this country, and we must recognise that and ask people whether we have gone too far.

The Foreign Secretary talked about repatriation of powers, which I want to see, but, on the threat of a referendum hanging over the Foreign Secretary, we know that the Commission hates referendums, and I remember him arguing—I was on his side—for a referendum on the Lisbon treaty, when he stated how much more strength it would give to the elbow of the then Foreign Secretary. We want to repatriate powers, and, if the rest of the European Union knew that the British public were sick, sore and tired of the money being spent on Europe, of the bureaucracy, of the corruption and of all that, they would be much more likely to negotiate the repatriation of them.

Sheryll Murray (South East Cornwall) (Con): Does the hon. Lady agree that the one industry in this country that has suffered for the past 30 years under the European Union is the fishing industry? A referendum would right the wrong that has been done to that industry, and the destruction that it has suffered over the past 30 years.

Kate Hoey: I do not understand why my party, which wants a change in the fishery policy, are not allowing a free vote tonight at the very least, never mind supporting a referendum.

I get a bit fed up on this side of the House—I have said this before—about the way the media paint the matter as always being about Tory splits, attacks on Cameron, Tory diversions, and so on when a huge number of Labour supporters in this country want a referendum. That is why my right hon. Friend the Leader of the Opposition was rather ill advised to impose a three-line Whip. We need to have this debate out in the open.

What is everyone afraid of? It is ridiculous of those who are not in favour of a referendum to say that this is not the right time, because we all know that we would not have the legislation in place until the end of 2012, or probably 2013. We could not possibly have the necessary White Paper, or the details of what would go into the referendum until 2014, so no one should accept the reason that this is not the right time.

What causes the lack of confidence felt by the leaders of the main parties who are afraid of a referendum? We must choose whether to integrate fully into a pan-European system of government based in Brussels, or to seek a more international future based on trade and co-operation, not just with the EU, but with the rest of the world. It is time to stop being little Europeans; we must be internationalists. We have all had the Whips on our backs over the years. We have all survived, and many of us are still here. Despite what they have said, it is important that right hon. and hon. Members do what they think is right, what is right for their constituents, and what is right for the country.

7.2 pm

Jake Berry (Rossendale and Darwen) (Con): It is a privilege to follow the hon. Member for Vauxhall (Kate Hoey). I congratulate the Backbench Business Committee, and particularly my hon. Friend and neighbour the Member for Bury North (Mr Nuttall), who is not in his place, on securing this debate. It is important, and the strength of support behind the online petition shows that people in this country care about it. I congratulate the Government on introducing the Backbench Business Committee.

Paul Blomfield (Sheffield Central) (Lab): Some hon. Members have cited the feeling of people in this country. Is the hon. Gentleman aware that Ipsos MORI conducts regular polling on the most important issues to people and that this month, as in several months, this issue is the 22nd most important, with only 3% of the population believing that it is?

Jake Berry: I am aware of that polling, and that is why I do not support today's motion.

John Hemming: I understand that the e-petition has only 36,000 signatures, but a paper petition has more than 100,000 signatures.

Jake Berry: In my home town of Liverpool people would be burned for witchcraft for signing anything on the internet. The general petition had 100,000 signatures.

I am constantly told that the EU is not a doorstep issue, but when one scrapes the surface and goes out and talks to people, as I did in my constituency last weekend, one finds immense anger. People in my area regard the EU as remote, undemocratic and, more often than not, working against our national interest, instead of in favour of the UK. There is a perception among the people I speak to out there that Brussels is elite and is ramming through a federalist agenda while mere voters, such as people in this country, are onlookers. On the rare occasions that we have within the EU been given a chance to make our views heard, if we have voted the wrong way, Europe has simply dismissed our views.

Five of the last eight referendums in the EU have been against a proposition. When countries and people—for example, Ireland—vote against a proposition, they are told to vote again until the right result is achieved or, as with the EU constitution, we are told that it has only been fiddled around the edges with a change in only a few words or a couple of paragraphs, or that it has been changed and is only a treaty so there is no right to a referendum. That is why there is so much interest in today's debate. The hon. Member for Vauxhall made a good point when she said the issue is not party political, or a matter of left or right, or not even Eurosceptics versus Europhiles. There is a huge appetite in this country for a genuine conversation about where our relationship with the EU should go.

That brings me to my views on the motion, which I will not support. It is absolutely right and proper to have this debate, and I am delighted that we are having it. I take this opportunity to put on record the fact that we must have a fundamental renegotiation of our relationship with Europe, but we do not live in a bubble, and we must pay attention to the crisis in the eurozone and to politics in our own country. The crisis in the

[Jake Berry]

eurozone is like a spark in Pudding lane. If we do not continue to support member states in supporting the euro and in sorting out the Greek problem, the fire will rip through the City of London and our entire economy. A vote today to put in doubt our membership of the EU for up to 18 months would fuel market speculation, fatally wound the eurozone and its economies, and have exactly the same effect here in the UK.

My second reason for opposing the motion is that the mainstream policy, which is supported by my party, to repatriate powers is the right way forward. Now is not the time to tell people that we are taking our bat and ball home. We must fight from within the EU to repatriate powers. There is a coalition behind that point of view beyond this Chamber. The UK Independence party fought the last general election on a policy of withdrawing from the European Union, but it did not win the election. The Conservatives and Liberal Democrats together won with a mainstream policy of repatriation.

Mark Reckless (Rochester and Strood) (Con): Did UKIP not win more votes in more constituencies than the number by which we did not achieve a majority? My hon. Friend spoke about repatriating powers, but that is not Government policy. We heard the Prime Minister and the Foreign Secretary refer to their policy, but it is still to be agreed with our coalition partners.

Jake Berry: It is the Government's policy. We heard the Prime Minister give commitments today on the referendum lock and future treaty negotiations. I and, I hope, my constituents take comfort from the words from the Front Bench. I will not support the motion today, but I am relying on those commitments, and I and my constituents want them to be honoured.

Ms Gisela Stuart: Will the hon. Gentleman give way?

Jake Berry: I am sorry, I do not have time to give way.

Failure to honour commitments on the repatriation of powers and the referendum lock will lead to further erosion of trust in this Government and this Chamber. I hope that the Government will continue to look at repatriating those powers.

7.8 pm

Mr Wayne David (Caerphilly) (Lab): Let me be clear: I do not support today's motion because I believe that it is in Britain's national interest for us to be involved in the European Union. As has been widely acknowledged by many in this debate and elsewhere, half of Britain's exports go to the rest of the European Union, and 3.5 million jobs in this country are dependent on our trade with our partners in the European Union. My own constituency is a former mining constituency where manufacturing is now very important. If Britain were to withdraw from the European Union, or even substantially to renegotiate its terms of membership, it would be bad economic news for the people I represent.

Andrew Percy: I am interested to hear what the hon. Gentleman says. However, the argument is not about whether we are in or out of Europe but whether we have a referendum. If he is so convinced of his argument, why is he frightened to allow the British people to express their view?

Mr David: I believe that our place is firmly inside the European Union. We had a vote in this country to join the European Union, and I see this as a natural progression.

Several Members have referred to those huge countries, Norway and Switzerland, and said that Britain could have a similar relationship with the European Union. I would make two points about that. First, neither of those countries is a major trading nation, whereas the United Kingdom is.

Mr Redwood: A very large number of jobs in China depend on exporting goods to the European Union. China is not a member of the European Union, so how do those jobs survive?

Mr David: The crucial thing is what happens to the jobs of people in this country. Many of the inward investors who come to this country from the United States of America do so because we are an integral part of the single market. If one puts in question our membership of the single market, one puts in question the economic viability of this country.

Secondly, with regard to Norway and Switzerland, let us not forget that although those countries have a good trading relationship with the European Union, the rules that it applies to them are imposed on them, whereas we are in the single market—an integral part of that market—and have a full say on the rules that apply to everyone.

The real question is not whether we support the European Union but what kind of Europe we want in future. The European Union that I want to see—as, I believe, do most people in this country—is not about uniformity and centralisation but is based on the principle of subsidiarity, whereby decisions are made as close to the people as possible. We want a European Union in which the single market—a single market that works to Britain's national advantage—is completed. If that is to happen, it is no good our being on the sidelines moaning and groaning; we have to be there, ensuring that the European Union always works to our national benefit.

The European Union should not just be about a single market for business—it should also be a social Europe for people. The social Europe agenda is very important. Unlike the right-wing Eurosceptics, I believe that the European Union should offer something tangible for ordinary working people. Similarly, it is important for us to be concerned about the environment. Who in their right mind, these days, can believe for one moment that individual countries—medium-sized nation states—can successfully tackle the environmental problems that we face? We have to work together with other people, with other countries throughout the world, and, yes, inside the European Union.

It is also important that we address such issues as industrial policy. We must realise that we need to ensure that our small and medium-sized businesses develop over the whole of the European Union and that we need joint policies to ensure that there is maximum benefit.

Sheryll Murray: Will the hon. Gentleman tell us why he will not let the British people have a say so that they can decide that they want to support the kind of European Union that he seems to support?

Mr David: I respectfully point out that there are such things as election manifestos. The Labour party, for example, has made it clear that this is the kind of Europe we want, and the kind of Europe which, if we are in power before too long, as I think we will be, we want to help to create.

We have heard a lot about money going from the United Kingdom to the European Union. Yes, there is a relatively small membership fee, but we do not hear about the fact that £1 billion of European regional development fund money that has been allocated to the hard-pressed regions of England is not being spent because of Government public expenditure cuts. Hard-pressed regions such as Rotherham, Doncaster, Sheffield, Preston, Scarborough, Barnsley and many others are losing out on European money because of the Government's ideology. We want to make sure that that money is put to good use. We want to make sure that we have a pragmatic approach to the European Union and do not put blinkered ideology above all else. I am afraid that many people in this debate do precisely that.

Above all, if there is to be economic rehabilitation of this country, it is absolutely imperative that we have a growth strategy not only here in the United Kingdom but in the European Union. Forty per cent. of our trade is with our eurozone partners. One of the great ironies is that our Prime Minister believes in a very strict austerity-based economic policy, so his greatest economic soulmate is Chancellor Merkel. The European Union as a whole, and the eurozone in particular, needs a growth strategy. It is no good having austerity, austerity, austerity; we also need a growth strategy that will create the kind of demand that we need for prosperity for the future.

The real debate that we face in this country is not about whether we are in the European Union or out of the European Union; it is about what kind of Europe we want to see.

7.16 pm

Mr Philip Hollobone (Kettering) (Con): The big mistake that the hon. Member for Caerphilly (Mr David) has made is to believe that Euroscepticism is a right-wing phenomenon. I have news for him: Euroscepticism is a growing movement, with people of all persuasions—right, left and middle—getting increasingly fed up with how this country is treated by the European Union. The proof of that is some of the petitions that came to the Backbench Business Committee and that stimulated today's debate. He is going down a blind alley if he thinks that this is just a right-wing cause.

I have the privilege to represent the residents of the borough of Kettering.

Mark Lazarowicz: The hon. Gentleman says that people are concerned about how they are being treated by the European Union, and that may or may not be so. Does he accept, however, that the European Union is not some distant organisation over which we have no say? We are a powerful member state in the European Union, and we send MEPs, Cabinet Ministers and other Ministers there on our behalf. If we are not getting what we ought to out of the European Union, is not that due as much to how we are represented in Brussels as to anything else?

Mr Hollobone: Many of us would like the European Union to be even more distant than it is. The problem is that its tentacles creep into all aspects of the British way of life. I think the hon. Gentleman will find that there are people in this country, from right, left and middle, who think it is outrageous that over the next five years, in this current Parliament, our membership fee will be £41 billion.

Nadine Dorries: Will my hon. Friend give way?

Mr Hollobone: I will give way when I have told my hon. Friend that in the previous Parliament the membership fee was £19 billion; it has more than doubled.

Nadine Dorries: The hon. Member for Vauxhall (Kate Hoey) touched on this point. If the House voted yes tonight, then when our Foreign Secretary, Prime Minister and Chancellor went to negotiate with our European partners, they would take with them the threat of the loss of £45 billion and would perhaps be treated slightly differently in the negotiations. Does my hon. Friend agree with that?

Mr Hollobone: I do agree. They could not really treat us much worse.

From my perspective and that of my constituents, whom I have the privilege to represent, the EU is getting its hands on more and more aspects of the British way of life. My hon. Friend the Member for South East Cornwall (Sheryll Murray) spoke about the effect on this country's fishing industry, which has been destroyed by our membership of the European Union. Our membership fee has more than doubled. Nine out of every 10 jobs in this country go to foreign migrants, most of whom come from the European Union. These issues are not of concern only to right-wing people; they are of concern to every person in this land.

This debate is exposing an increasing disconnect between our constituents—the residents we struggle to represent—and the Front Benchers of Her Majesty's Government and Her Majesty's Opposition, who have tried to deny debate on this issue. One of the qualities of the Backbench Business Committee is that it chooses subjects for debate in this House that the Government would not otherwise allow. That is why the Backbench Business Committee chose this subject. We would not be having this debate if we had left it up to Her Majesty's Government.

I have a confession for the House: I do not believe in ever closer union. I think it is wrong in principle and I think the British people do as well. I have another confession for the House: I believe that Britain would be better off out of the European Union altogether. I do not expect a majority in this House to agree with that, but I am privileged to put that on the record on behalf of my constituents in Kettering. I believe that if we were to have a referendum on in or out, most of my constituents would vote to leave because they have had enough.

Martin Horwood: Does the hon. Gentleman think we would be better off without the European arrest warrant, which brought home 145 suspects last year to face criminal charges in this country, and without Europol, which cracked the world's largest online pornography ring last year?

Mr Hollobone: As far as I am concerned, the hon. Gentleman and his Liberal Democrat colleagues are forcing this country not to have the right policy on Europe. If he wants to talk to me and other Members about justice issues, why does his party not do the decent thing and let us come out of the European convention on human rights? There are prisoners in this country whom we cannot repatriate to their country of origin because they claim spurious family life issues, which keep them here.

Michael Connarty: I hate to continue the process of lecturing, which my hon. Friend the Member for Glasgow South West (Mr Davidson) did not like, but it is the Council of Europe, not the EU, that set the convention. In 1949, 49 countries came together to bring about human rights for all in Europe.

Mr Hollobone: With the increasing ratchet of the terms and conditions of European Union membership, that is now a condition of membership for new entrants to the club.

John Hemming: I do not agree with ever closer union, but I do believe in remaining in the EU and will oppose the motion.

Mr Hollobone: The hon. Gentleman is perfectly at liberty to do that. Thanks in part to his good offices, we are having this debate about the future of Britain and Europe, which we would not be having without the Backbench Business Committee.

Emma Reynolds (Wolverhampton North East) (Lab): If so many people in our country want to leave the European Union, why did the only party to advocate such a thing, the UK Independence party, get only 3% of the vote in the last general election?

Mr Hollobone: In my election literature in Kettering and in my campaign speeches and hustings, I made it quite clear that I am in favour of Britain leaving the European Union, and that if there were a referendum I would vote to leave. The majority over Labour in Kettering went up quite substantially as a result. The problem with the European issue at general elections is that there are a lot of other issues to discuss and it gets lost in the noise, in part because of the establishment view on the European Union, which often suppresses public opinion on this issue.

What has most worried me in the course of the past week is the attitude of Her Majesty's Government. I know that we cannot talk about the amendments that never happened, but one of those amendments called for a White Paper on how this country would repatriate powers from the European Union. Her Majesty's Government were not even able to support that. Is it any wonder that, on the ConservativeHome website today, a poll suggests that two thirds of Conservative party members do not believe that the Government have any intention of repatriating powers from Europe? I have to say to those on Her Majesty's Government's Front Bench tonight, "Shame on you."

7.23 pm

Sir Stuart Bell (Middlesbrough) (Lab): I am grateful for the opportunity to follow the hon. Member for Kettering (Mr Hollobone). He made a point about the European convention on human rights and was corrected by my hon. Friend the Member for Linlithgow and East Falkirk (Michael Connarty). The convention has nothing to do with the European Union and we should not confuse our concepts. The hon. Gentleman also talked about a membership fee. I do not know why he considers our contribution to the European Union to be a fee. The European Union is a political, geographical and economic area, and we play a part in all three aspects. The Foreign Secretary was quite right to say that because of our involvement in the European Union, we have influence with Syria, are able to negotiate with Iran and have greater power.

I am glad that the hon. Member for North Dorset (Mr Walter) has stayed in the Chamber, because he was perfectly right in his short history lesson. He used the eloquent phrase that the European Union, starting with the Common Market, began from "the embers of the second world war". He was perfectly right about that. He also talked of sovereignty, which keeps popping up in this debate. The right hon. and learned Member for Kensington (Sir Malcolm Rifkind) referred to sovereignty shared. When Ted Heath took us into the European Community, he talked of a "pooled sovereignty". That is as true today as when he said it.

The right hon. and learned Gentleman also talked about various aspects of the European Union, such as Ireland and Austria being neutral states. The essence of the European Union is unity in diversity. We may have different views and perspectives, but we are united in that economic, political and geographical space.

We have talked about trade and the single market. The Conservative party is a party of trade and of the single market. The Prime Minister mentioned saying in his discussions on Sunday that the single market would always stay with the 27 member states. He was perfectly right to say that.

I have to take issue with the hon. Member for Stone (Mr Cash), who is no longer in his place—that is not his fault because he sat here for long enough. When I heard his arguments about the deficit and Europe, I wondered what he was talking about. Does he want a McKinley tariff wall? Does he want to stop people buying Volkswagens, Audis, Fords made in Germany, or iPads, which are made not in America but in China? What does he want in a free-trade area, where there is the free movement of goods and people? How can we go back to the era of tariff walls?

Jacob Rees-Mogg (North East Somerset) (Con) *rose—*

Sir Stuart Bell: The hon. Gentleman can sit down because I am not giving way to him.

Teesside is the third largest port in our country. We face out to Europe and we export to Europe. The point has been made many times, including by my hon. Friend the Member for Caerphilly (Mr David), that 50% of our exports go to Europe. Why did Nissan come to Sunderland? It is because it has the Tees and so can export to Europe. Many years ago, I heard Hilary Marquand say that in Europe we take in each others' washing. That is perfectly

true. We trade among ourselves and that trade is a rising tide that, as John Fitzgerald Kennedy said, "lifts all boats".

The hon. Member for Harwich and North Essex (Mr Jenkin) touched on a significant point, which I put to the Prime Minister. He mentioned that the 17 eurozone members at the weekend elected their own president, the President of the European Council, Herman Van Rompuy. The 17 members of the European Union that are in the eurozone will have their own meetings, outwith the 27 countries of which we are a member. Mr Van Rompuy said:

"Rest assured that we will narrowly and closely inform all the preparation of the summits we shall have in the eurozone, and we shall advise of the results."

As I said carefully in my question to the Prime Minister, Mr Van Rompuy will have Germany on one side and France on the other, so where will we be? We have opted for a two-tier Europe and we have opted out. I am sure that the Prime Minister will do all that he can—

Mr Deputy Speaker (Mr Nigel Evans): Order. Martin Horwood.

7.28 pm

Martin Horwood (Cheltenham) (LD): This is an important debate. In a sense, I commend the 100,000 people who brought it about for bringing these issues into the open, not least because it has allowed Conservative Members such as the hon. Member for North Dorset (Mr Walter) and the right hon. and learned Member for Kensington (Sir Malcolm Rifkind) to find their eloquent, pro-European voices. Many of us are perhaps guilty of having let the Eurosceptics dominate this area for far too long.

Stephen Phillips (Sleaford and North Hykeham) (Con): I think that the 100,000 people who signed the e-petition would like an answer to a very simple question: the Liberal Democrats promised an in or out referendum, so why are they not supporting one tonight?

Martin Horwood: The hon. and learned Gentleman has anticipated my next sentence. There has been a lot of talk about manifestos in this debate, so I will tell the House exactly what the Liberal Democrat manifesto said. It stated:

"Liberal Democrats...remain committed to an in/out referendum the next time a British government signs up for fundamental change in the relationship between the UK and the EU."

We support that now, we supported it at the general election and we supported it at the time of the Lisbon treaty, when such a fundamental change was actually being discussed. What is more, we put the matter to a vote of the House at that time, and many hon. Members who are now rising in criticism voted against it, including the hon. Member for St Albans (Mrs Main) and, actually, the hon. Member for Broxbourne (Mr Walker), who succinctly asked earlier, "If not now, when?" Well, the answer was then, and I am afraid he missed the chance.

Mr Jenkin: I recall that debate about referendums at the time of the Lisbon treaty. One got the impression that the Liberal Democrats wanted to say they were in favour of a referendum but not vote for the amendment that might actually create one. It was a cynical manoeuvre and just the kind of thing that has brought the House into disrepute with the British people.

Martin Horwood: I thank the hon. Gentleman, but I have with me the list of how Members voted on our proposal for an in/out referendum at the time when we said it was appropriate, and I do not think his name is on the list of the Ayes. A few Labour Members did break ranks, however.

Andrew Percy: Will the hon. Gentleman give way?

Martin Horwood: I am sorry, I will not give way again, otherwise I will be out of time.

May I also remind some Conservative Members of what was promised in their own manifesto? It promised that any proposed future treaty that transferred areas of power or competences would be subject to a referendum lock. Of course, they actually got that in the European Union Act 2011, which we all voted for only a matter of weeks ago.

Andrew Percy: Will the hon. Gentleman give way on that point?

Martin Horwood: No, I will not, I am sorry.

Let us look at some of the options on offer in the motion. We have the renegotiation option, which, frankly, is a fiction. What kind of negotiation would take place if we actually tried to do that? What price would Monsieur Sarkozy or Frau Merkel extract in those negotiations for the disruption and risk that would be posed to the working of the Union? Why would the renegotiation succeed if the other 26 member states did not support it, and why would they support it if the only issue of debate was Britain's terms of membership? That is why it is such a nonsense to extract renegotiation from any other fundamental shift in relationships that would be happening at the time.

Stephen Phillips: Will the hon. Gentleman give way on that point?

Martin Horwood: I am sorry, I have taken my two interventions.

What I believe all factions of Eurosceptics are really calling for in this debate is withdrawal. That is what they really believe in, let us be honest about it. They perhaps want membership of the European economic area, maybe without the complexities of European Councils or the political complexities of the European Parliament, and I assume without complexities such as the border controls of the Schengen agreement. Let me tell them that there is good news for them. There is one very beautiful country that has achieved that exalted status. One country is a beacon for the Eurosceptics. One country is a member of the European economic area but not of the European Union or Schengen. It is Liechtenstein. That is the level of influence that the Eurosceptics are demanding for this country. They would give up our influence on the European market and our influence as a member of the EU on negotiations from climate change to world trade. They would condemn us to the sidelines of Europe and do profound damage to the interests of this country.

[Martin Horwood]

I am old enough to remember a Europe where military, communist and fascist dictatorships outnumbered democracies. One of the greatest achievements of the European Union is that we have between us—27 sovereign states and 500 million people—created a peaceful, democratic federation of which we, as Britons and as Europeans, should be profoundly proud. I am very proud of that. I believe that this is the wrong motion at the wrong time, calling for a referendum that would not work and that would do profound damage to Britain's national interests, and I think we should throw it out tonight.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. Please resume your seats. We have had 23 speakers so far, and considerably more Members than that still wish to come into the debate. To accommodate as many as we possibly can, the time limit is being reduced to four minutes, still with injury time for two interventions.

7.34 pm

Mr Frank Field (Birkenhead) (Lab): I want to address the politics of this question, and in doing so pose the question why this issue, above all issues, has a sulphurous effect on our politics. I also wish to thank Ministers for getting us off the hook tonight by imposing a three-line Whip, which disguises the changing politics in the House since I have been a Member and signals that we need to rethink our position.

Why does Europe have such an evil, sulphurous influence on our politics? I am not nearly as hopeful as the hon. Member for Cheltenham (Martin Horwood), who thinks that we are all sailing into the sunshine. Given the stresses caused by the stupidity of a single currency, I worry about what will happen to democracies in mainland Europe as countries' living standards are forced down in an attempt to make their budgets balance.

The real reason why Europe has such a sulphurous impact on our politics is that, as we now know from the records, there has been an exercise in deceit from the word go. We know that Ted Heath, in presenting it to the British people as merely a common market, was signing up to the political project that we see now. We need not just dwell on the origins of the problem, because in the previous Parliament my party's Government said that they would offer a referendum on the constitution. Of course, what we did not notice was that they were going to decide whether it was a constitution, and they decided that it was not. They said that they would have a referendum on it, but then said, "Oh, it's rather too late now for the people to have such a vote." Over the years, there has been a growth in cynicism among the electorate about whether we as parliamentarians are ever going to deal seriously with the issue, and that is what we ought to address tonight.

Mr Graham Stuart: I know that the right hon. Gentleman is very fair-minded, so I put it to him that there is a massive difference between the Labour Government's promise on the constitution/Lisbon treaty and the Conservative party's leadership saying, once the cheque had been cashed and the treaty ratified, that holding a referendum on it was pointless. It was not a betrayal, it was recognition of the betrayal carried out by the Labour party.

Mr Field: I disagree with that. Part of the reason for rearranging our procedures in the House and giving the Backbench Business Committee more power was to try to strike a new relationship with the electorate. What has happened? We are now having a debate that the Government presumably did not want us to have, and they are railroading their Members into supporting them with a three-line Whip. The same is happening on our side of the House.

The truth is that the Government have scored an own goal. The second big change in the House in the years I have been here, along with the cancerous effect of Europe on our democracy in this country, is that the Conservative party has changed radically. People watching the debate tonight need only look at the number of Conservative Members who wish to participate and the number of Labour Members who wish to participate. When I first came here, if someone raised the issue of Europe regularly they were cast as being slightly bonkers or very bonkers. Now we see that the Conservative party has genuinely changed on the issue. Thanks to the Government's ham-fisted approach in imposing a three-line Whip, the country will not see how significant that change has been and how in tune the Conservative party now is with both Conservative and Labour voters in the country.

I make a plea to Members on my own side of the House. We are getting it wrong on the issue of the representation of England and appear to be a party controlled by our Scottish colleagues. Increasingly, the question will be how England is represented in this Parliament, and so far we are on the wrong side of that debate. Again tonight, by trying to force Members into the Lobby in support of the Government stance, we are in danger of alienating many Labour voters.

When I first stood for election, the turnout was 85%. Last time, it was 60%. How have we managed to turn off 25% of the electorate? It comes down to our conduct as politicians. We were going to make a small move by having debates that we, Back Benchers, could control, but the Government decided it would be better to clobber us with—

Mr Deputy Speaker: Order.

7.39 pm

Mr Bernard Jenkin (Harwich and North Essex) (Con): It is a pleasure to follow the right hon. Member for Birkenhead (Mr Field), who has long made measured contributions to such debates, but I want to draw attention to my hon. Friend the Member for Gravesham (Mr Holloway), who is not in the Chamber. He made the speech of the night so far by bringing his integrity and judgment to the fore at the expense of his political office in the Government. The House should respect him especially for that.

The fact is that this debate is beginning to show a pattern. Members who reflect the widely held public sentiment that our relationship with the European Union is not quite right and that something needs to change are all in favour of a referendum, whether that means a modest renegotiation or, like my hon. Friend the Member for Kettering (Mr Hollobone) says, leaving the EU

altogether. Members who have spoken against the motion are determined to keep the relationship the same, at least for the time being.

I fully respect my right hon. Friend the Foreign Secretary, who says that he wants to repatriate powers, but as with St Augustine and chastity, he wants repatriation, but not yet. We know that public opinion overwhelmingly shows a strong sentiment for a fundamental change in our relationship with the EU. Unfortunately and sadly for the House, on an occasion when we could reflect our voters' genuine concerns on this vexed subject, which has riven politics and both parties over many years, we will vote perhaps 4:1 against what we know most of our constituents would prefer.

Angie Bray (Ealing Central and Acton) (Con): Does my hon. Friend accept that although the country is undoubtedly interested in all matters EU, it is probably more interested in issues such as growth and jobs? Does he also accept that a referendum at this time would simply create uncertainty, which would hardly be conducive to attracting the foreign investors that we need to help with growth and jobs?

Mr Jenkin: I am grateful to my hon. Friend for that point, but this issue has come to the fore because it is about not only democracy and consent, but growth and jobs. If the coalition came into being for anything, it was for the deficit reduction programme. That is its raison d'être. It might not have escaped her notice that that programme is in trouble, because the economy is not growing. There are many reasons for that—the US, the crisis in the eurozone, and our country's indebtedness and excessive taxation—but one fundamental reason is that we are overburdened with European regulation. That is why a majority of businessmen in this country now say that the advantages of the single market are outweighed by the disadvantages.

Neil Parish (Tiverton and Honiton) (Con): I agree entirely with my hon. Friend. I spent 10 years in the European Parliament and watched powers transferred from Westminster to Brussels, making business more expensive and introducing more regulation. If we want to free up our economy and move forward, we need substantially to renegotiate. The motion gives us a chance to send that message to the Government and to strengthen Ministers' hands when they go to Europe to do so.

Mr Jenkin: I am grateful to my hon. Friend for that point.

We know from experience that we cannot rely even on the assurances given to us by our European partners. In 1992, we thought we had opted out of what was then called the social chapter. We thought that would protect us from the working time directive, but by the end of that Parliament the EU had circumvented the opt-out in typical fashion: it used a different treaty base to force the directive on to our statute book, against the wishes of our Parliament, by making it a health and safety programme.

The same thing is happening with the agency workers directive, which the Government have bitterly opposed because they know that it will price more young people out of the labour market. We now have above-average youth unemployment in this country when it used to be below-average.

Martin Horwood: Will the hon. Gentleman give way?

Mr Jenkin: I hope the hon. Gentleman will forgive me, but I have given way twice.

The same thing is happening in the regulation of the City of London. If there is one thing that we should never have agreed to in principle, it is that the European Union and Michel Barnier should take over the regulation of the City—our biggest single tax generator. That was driven by a misplaced notion that Bonn, Frankfurt, Paris and the City should be given equal status as global financial centres. That would be disastrous for the City.

We should oppose the Tobin tax on principle, because at the end of the day, it is another tax that takes money out of the pockets of ordinary people, but you wait, Mr Deputy Speaker, the financial transactions tax proposed by the EU will be forced through on some spurious treaty basis.

Sir Stuart Bell *indicated assent.*

Mr Jenkin: The hon. Member for Middlesbrough (Sir Stuart Bell) agrees that that will be forced through on a spurious basis to cover the City. To coin a phrase, we can't go on like this. Now that the EU is moving into a phase in which huge decisions, such as the decisions of the 17 on fiscal union, are being taken without the requirement of a British signatory on any treaty, we are losing the veto, which was the foundation of our EU membership and which made it acceptable.

Therefore, it is now time to renegotiate. It is urgent for our economy. If we need a referendum to force the Government's hand, that is what I will vote for.

7.46 pm

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): About halfway through this evening's debate, it might be helpful to remind the House that the motion states:

"That this House calls upon the Government to introduce a Bill in the next session of Parliament to provide for the holding of a national referendum".

Do hon. Members remember national referendums? All three parties promised one in their 2005 election manifestos, and each came up with its unique way of reneging. The motion states that the referendum should be

"on whether the United Kingdom should

(a) remain a member of the European Union on the current terms;

(b) leave the European Union; or

(c) re-negotiate the terms of its membership in order to create a new relationship based on trade and co-operation."

I must confess that when I first read that, I thought it would be extraordinarily difficult for anyone to disagree with a single word of it, whether they were for or against the EU.

Mr Edward Leigh (Gainsborough) (Con): On the subject of reneging on promises, is not the crux of the matter this: if we live in a democracy, the people should have a voice?

Ms Stuart: I agree with the hon. Gentleman. Moreover, whatever people think about referendums—whether they think they are good or bad—the political parties on both sides of the House have started to promise them, but once in government, they come up with incredibly ingenious ways of changing their minds.

I recommend that the one third of hon. Members who were not here in 2008 watch the Foreign Secretary's speech on Second Reading of the European Union (Amendment) Act 2008—the Foreign Secretary mentioned that it is on YouTube. It was a brilliant speech. It was so funny I even bought a copy. It is quite interesting to see why he has changed his mind. For an illustration of a 180° turn, watch that speech.

European Union debates become kitchen sink debates. Rather than put arguments on the substance of the debate, hon. Members put arguments for or against. For the Lib Dems, returning one criminal to the UK becomes the reason why we need an EU-wide arrest warrant and criminal justice system; on the other hand, the EU is bad because one old lady is run over in a constituency in the north-east because of the working time directive.

Let us for a moment forget about that and talk about the nature of democracy and the nature of democracy in the House. For better or worse, the House has decided that it should become a far more participatory democracy. We have said that we will ask the people much more and have such things as e-petitions. If we are to have e-petitions, we had better start taking them seriously. We cannot say, "Some are more frivolous than others. If they suit us, we'll take them on board; and if they don't, we'll knock them on the head," because they are all serious.

The introduction of the Backbench Business Committee was good for democracy in the House, but there are things that we cannot do—the Prime Minister's statement, which was one of the weakest I have ever heard from a Prime Minister returning from a European Council, showed the weakness of the changes made. We no longer have pre-European Council debates, whereas previously we would have had a day to discuss it; the Foreign Affairs Committee, as I understand it, no longer visits one of the troika countries during the six-month period of a presidency; and we have no specific debates on the EU, and whenever anybody wants to discuss it, we write them off as narrow-minded little Englanders who just want to get out, but it might be that they do not like the current arrangements or that they want someone to make the case for them.

It is presumptuous of the House to think that it knows what the people would say. We should not take for granted what the people would say. Even if I were to accept the Government's argument that now is not the time, what is the case against having a referendum at the same time as the EU elections in 2014? I assume that for once—it has not happened since I have been around—we would have a European election during which we actually talked about Europe. We could have a referendum on such an occasion. In the name of democracy and having trust in the people, which we all say that we do, we should vote for the motion tonight, because if politicians do not trust the people, why on earth should the people trust the politicians?

7.51 pm

Mr John Redwood (Wokingham) (Con): There have been many powerful speeches already rightly saying that this debate is about democracy. Democracy is fundamental to the House—the mother of Parliaments, an example to the world—which has been through a bad time. It has been humbled by its failure to listen carefully enough to the people and because too many powers of self-government have been needlessly given away to Brussels. The people not only want us to listen, to have this great debate and to have a free vote to express their opinions and views, but would like to feel that the people in this House, charged with the duty of governing, have the power to govern. They believe that the Government should come here and answer to us and that we, from both sides of the House, should hold them to account. If they do a good job, the public reward them in a general election, and if they do a bad job, they sack them. However, what we now see happening, because there is too much unaccountable European power, is the breakdown of the fabric of consent that is fundamental to a democracy.

If hon. Members were to go to Greece today, they would see what happens when that consent starts to break down. Rich Greeks now think that their Government have no right to tax them because they are on autopilot from Europe and they do not like what it is doing, and poor Greeks think that the Government have no right to remove some of their benefits because they think, again, that they are on autopilot from Brussels. In Portugal, Ireland or Slovakia, we see that the European mess can change Governments—regardless, almost, of what the people think—but that when the people put in a new Government, it makes absolutely no difference to the policy that the country is following, because it is all on autopilot and has been preordained by the IMF, the bankers and, above all, the EU bureaucrats and assembled member states.

We need to ensure that we—those of us with a heart and a conscience—send a loud message to our constituents tonight that we are democrats, that we think that the public were right to demand this debate, that we admire the Prime Minister for making it possible through the petition system and that we would like the Whips to withdraw so that a proper expression of opinion can be given. We want our Government to understand that if too many powers are taken away, we will no longer have the authority or opportunity to govern. Already, we have to say too often to our constituents, "I cannot help you with that because it is a European directive. I cannot assist you with this because it is an unaccountable European programme." We can no longer change the law in the way that we wish because it is preordained by some Brussels decision.

This House was great when every law that applied to the British people was fought over in this Chamber and in Committee and satisfied the needs of the majority. This House was great when the public knew that when they had had enough of rotten Government, they could change not just the people, but the policies they were following. This House was great when it had full control of all our money and did not have to give away tariffs and taxes to foreign powers to spend in ways of which we do not approve. We need to wake up. We need to do what the British people want us to do. We need to take responsibility for governing this country. We need to

enact the laws. We need to debate and argue about it in here. Brussels has too much power. The British people need a say. Let us have a vote.

7.54 pm

Austin Mitchell (Great Grimsby) (Lab): I shall be voting for the motion tonight because I do not want to be part of what has become a three-party conspiracy against the people. It is an abomination of democracy that the three parties, all of which have promised referendums and then denied the people those referendums and which are now forcing us to vote against a referendum, decided to impose three-line Whips on their followers to vote for Europe. It is behaving like Europeans. The EU is the construction of an EU elite that does not listen to the people: it knows where it wants to go, and it is not bothered what the people think. We cannot have that attitude in this country.

We have to show the people that they can have a referendum. When we had a referendum 36 years ago, people voted for a very different institution—for a trading relationship—but it has now become a European monolith with ever-increasing powers. It is moving towards ever closer union and is claiming to control economic policy as well. It is a very different institution and far more expensive. Budget contributions are £7 billion net a year, rising to £10 billion fairly soon. The CAP costs us £16.7 billion while the common fisheries policy costs us £4.7 billion. The British people must have a say on whether they want to make those excessive contributions. Why should the three parties be denying them?

It would have been sensible for all three parties to agree to give us a free vote so that we could hear the sensible, clear, un-Whipped decision of Parliament. That might well have been in favour of a referendum, but I do not know. It would also have been sensible for the Government to have had a referendum in reserve because it would have strengthened their position in the negotiations with Europe that the Foreign Secretary told us were to come, but they avoided that. I cannot tell how this euro crisis, which is bedevilling us all, will work out—nor can the Prime Minister for that matter—but I question whether it is in our interest to keep the euro going. It would be more sensible for Greece to devalue and come out, and perhaps for some of the other Club Med states to do the same, because it would allow them to expand and grow, whereas at present they face 10 years of deflation. That would also put up the exchange rate of the German—or northern—euro, so that it would become less competitive and take a smaller share of our markets. That would be a logical outcome.

We are going to struggle to use the big bazooka, as the Prime Minister put it, to keep Humpty Dumpty together—I am not sure how we would do that—but we have to bear it in mind that the people of Europe also want referendums. There are a series of policy studies based on the 2009 referendum showing that in Europe, 63% of people—from a sample of 27,000—wanted any future decisions to be taken by a referendum. This has been an interesting debate. It has been interesting how little praise for Europe there has been. It was interesting, too, that the Foreign Secretary defended Europe by praising with faint damns and turned down the weapon that the House was offering. I hope that we have tonight a big vote in favour of the motion. It would send a signal to Europe of what the people of this country think—not the elite, but the people—and would send a signal to the people that they can trust us and that we have their interests at heart.

7.58 pm

Mr John Baron (Basildon and Billericay) (Con): I, for one, shall be supporting tonight's motion for one simple but important reason: the very nature of our relationship with the EU has fundamentally changed since we joined it in 1975, yet the British people have not been consulted on that change. Instead, they have consistently been denied a say. Perhaps tonight, we have an opportunity to put that right.

It is a great shame that all three political leaders are whipping this vote in the way that they are. Some of the arguments that have been used to try to defeat the motion are illustrative. There has been no shortage of red herrings and Aunt Sallies as to why we cannot have a referendum on our future relationship with the EU. The first is about economics. A long line of speakers have talked about how important Europe is to us economically and how things would get so much worse if we left the EU. However, the debate on the motion is not about that; it is about whether we give the British people a say about the nature of our relationship with the EU. That argument is therefore a red herring. Indeed, the fact that our balance of trade with Europe is negative weakens it even further.

We have had the red herring about timings: "This is not the right time." However, I cannot remember when, in the last 36 years, it has been the right time. We have consistently been told, "This is not the right time." I would turn that on its head and say that, with Europe in a state of flux, this might be a good time to renegotiate our relationship. I find it strange that, once again, the line is: "This is not a very good time."

Harriett Baldwin (West Worcestershire) (Con): Does my hon. Friend agree that the right time to have a referendum was on the Lisbon treaty, which was in all three parties' 2005 manifestos? Frankly, I would have enjoyed campaigning for a no vote to that treaty, rather than watching the previous Prime Minister surreptitiously go down to Lisbon and sign it virtually in secret.

Mr Baron: I am sure that the majority in the House can agree with that view.

Let us look at some of the other red herrings that have been discussed this evening. There is the argument that if the motion was passed and we had a referendum, that would somehow weaken the Foreign Secretary's hand. I completely disagree with that. A Foreign Secretary or Prime Minister going to negotiate would be emboldened by knowing that the voice of the British people had indicated the direction of travel and how they wanted the relationship to progress.

Then we have had the argument that says, "Why bother with the motion? We've already got an à la carte Europe"—that is, people are already opting in and out of this and that, and so on. However, that argument does not stand up either, for the simple reason that what is happening, under the very noses of the British people, is that our sovereignty is being salami-sliced, week in, week out. We may talk about a referendum lock on future treaty changes, but to a certain extent that is

[Mr Baron]

tilting at windmills, for the simple reason that there is no treaty on the horizon; rather, what is happening, week in, week out, is that key competences and powers are being transferred over to Brussels. One example is in criminal justice, with the European investigation order.

Mr James Clappison (Hertsmere) (Con): That is a valuable point. Is it not the case that legislation regularly comes forward within the extensive competences that the European Union already enjoys? The European Union is occupying ground and legislating in matters that should be the preserve of this House.

Mr Baron: Absolutely, and my hon. Friend is well placed to see that for himself, sitting as he does on the European Scrutiny Committee. Key competences and powers are transferred across to Brussels almost daily, yet the political leaders in this place seem not to recognise that fact.

The political elites across Europe—not just here—should understand the growing frustration with the current situation. We joined what was essentially a free trade area; it has turned more and more into political union. People do not like that. They want to be consulted, but they will be denied that freedom of choice if Members in this Chamber defeat the motion this evening. That, in my view, has to be wrong.

The time to put it right is now. This is the motion that some of us have long believed is right and that was going to happen, but because of U-turns and deliberations by party leaders we have been denied this say. The political elite need to understand that at the end of the day they must answer to their electorate. They cannot justify ignoring the electorate when there has been so much fundamental change in our relationship with the EU. I would urge hon. Members—particularly those who may still be undecided—to support the motion this evening, if only in the name of democracy.

8.5 pm

Mr Denis MacShane (Rotherham) (Lab) *rose—*

Hon. Members: Groan!

Mr Deputy Speaker (Mr Nigel Evans): Order. He has not said anything yet.

Mr MacShane: In the spirit of the hon. Member for Broxbourne (Mr Walker), tonight I shall vote for parliamentary democracy and against plebiscites, and I urge all hon. and right hon. Members to do the same.

8.6 pm

Jacob Rees-Mogg (North East Somerset) (Con): It is amazing how united the Conservative party has been so far today. We had a Eurosceptic statement from the Prime Minister and then a Eurosceptic speech from the Foreign Secretary, so it can only be the Liberal Democrats who are inveigling us down the path of unrighteousness and taking us away from supporting the motion. The Foreign Secretary made six points that must have been written for him by the Liberal Democrats, because he is far too clever a man to have thought of them for himself, because they do not really add up. I shall go through them.

The Foreign Secretary made two points that were essentially trivial—too trivial for a man of his standing. They were, first, that there was no manifesto commitment for a referendum. However, manifestos can deal only with what is known at the time; they cannot deal with things that have not yet arisen. The crisis in the eurozone and the changes that could come from it were not known with clarity at that point, so it is now right to think beyond the manifesto to what the next steps are. That point can therefore be discarded.

The Foreign Secretary then said that we had passed an Act of Parliament to deal with when we could have referendums, and so we did; but again, this House knows many things, but it is not omniscient. It cannot take care of every occasion that may arise when a referendum may be a good idea or every occasion when the British people—whom we should trust—may want one. So, those two points go.

The other two points that do not add up to much were, first, that a three-way referendum is confusing. However, that is not a problem because the motion calls for a Bill in the next Session, which can deal with any confusion. We can, in our wisdom, work out how to phrase a referendum—or series of referendums, if necessary—that will be understandable.

Martin Horwood: I am grateful to the hon. Gentleman for giving way and we always enjoy his speeches, but will he clear up some confusion about the proposed three-way referendum? Will it use the alternative vote system or first past the post? The motion is not entirely clear.

Jacob Rees-Mogg: I am grateful to the hon. Gentleman for giving me an extra minute—it is kind of Gloucestershire to give something to Somerset for once. That issue can be dealt with in the legislation. Indeed, we could have two referendums. As it happens, it might make more sense to have the second referendum after the renegotiation is completed.

The fourth point that did not work was that the EU was all or nothing. However, it is already not all or nothing: we already have opt-outs and so forth. There are therefore two remaining points—as those who are good mathematicians will have worked out—that we need to look at. One was that we are dealing with this issue in a crisis and this is therefore the wrong time: "When a man's house is burning down, you send in the fire brigade." Quite right. But then, when he wants to hire someone else's house nearby to find fresh accommodation, they can set the terms of the tenancy. That is the position that we are in with the European Union—a very strong negotiating position, which we should maximise.

We should also note that we cannot solve our financial crisis until we have freed ourselves from the yoke of European regulation. Only this weekend, we have seen that Tesco is going to take on fewer part-time people because of a directive from Brussels. Are we really going to deny our citizens growth because Brussels wants to put a further yoke on them?

Ian Swales (Redcar) (LD): Is my hon. Friend aware that one of Tesco's most profitable areas is the part of eastern Europe that is in the European Union?

Jacob Rees-Mogg: Tesco, great company that it is, is also very popular in Thailand, whose application for membership of the European Union I am currently unaware of.

The Foreign Secretary made a final point that we would lose opportunities by going for a referendum now. Well, of course we would not; we would gain them. We are negotiating on the budget for the next few years on the basis of an absolute majority and a one-vote veto. This is not the intermediate budget. Our position is quite strong.

As I see it, we have a wonderfully united Conservative party, upset by the Liberal Democrats. I admire the Liberal Democrats. They are good, honest people, but, when push comes to shove, getting a proper relationship with the European Union is more important than the coalition. If the Liberal Democrats want to go into a general election saying, "Let's have more rules from Brussels and from Mr Barroso", let them try it. We shall see how many seats they win on that basis. It is for us Back Benchers to say to Her Majesty's Government: "Stiffen your sinews, summon up the blood and imitate the action of a tiger, for that is how you should behave towards our European partners, not like Bagpuss."

Hon. Members: Hurrah!

8.11 pm

Kelvin Hopkins (Luton North) (Lab): When I made my maiden speech, Ann Widdecombe had spoken just before me and she got a cheer. At the time, I said to myself, under my breath, "Follow that!" I am afraid that I shall have to do the same thing now.

The hon. Member for Basildon and Billericay (Mr Baron) mentioned red herrings several times. I am afraid that there are rather too few herrings around our shores on account of the common fisheries policy. It is a pleasure to speak in the debate on the motion tabled in the name of the hon. Member for Bury North (Mr Nuttall), and I congratulate him on bringing it forward. I shall certainly be voting for it this evening.

It is abundantly clear that the call for a referendum on the UK's membership of the European Union now has mass support across the country. A recent YouGov poll showed that 61% were in favour, with only 24% against. Among Labour supporters, 53% are in favour of a referendum, with 33% against. I hope that, together with other comrades, I speak for that 53% majority of Labour voters.

There is no mystery as to why our political leaders are so opposed to holding a referendum. It is clear that they fear doing so because our electorate might vote for Britain to withdraw from the EU. If that happened, I suspect that there might be a domino effect across the whole European Union. I am, however, mystified as to why our leaders are so frightened of such an outcome.

Mr Sam Gyimah (East Surrey) (Con): No one can really know what will happen in a referendum. In 1975, the public seemed to be against the EU, but they voted by 2:1 to join. None of us really knows how public opinion will fall in a referendum.

Kelvin Hopkins: I entirely accept that point, but I believe that the British people have become wiser about this matter since 1975. At that time, every single organ of the media was in favour of a yes vote; a no vote had no support in the media at all.

Mr Leigh: Surely the point is also that, in 1975, the hon. Gentleman had a vote, I had a vote and my hon. Friend the Member for Wellingborough (Mr Bone), who is sitting next to me, had a vote. I do not know whether Mrs Bone had a vote—

Mr Peter Bone (Wellingborough) (Con): She was too young.

Mr Leigh: Indeed, and Mrs Leigh certainly did not have a vote, along with 84% of the present population. Do they not have a right to vote?

Kelvin Hopkins: The hon. Gentleman is absolutely right. I was the agent for the no vote in Bedfordshire in 1975, so I have a track record.

Is our political class frightened that, if the British people voted to leave the European Union, we would no longer be a member of the common fisheries policy? Are they frightened that we might regain control of our fishing waters, stop the fishing free-for-all and see our fish stocks recover? Is it frightened that we would no longer have to subscribe to the common agricultural policy, and that we could instead choose to subsidise our farming, as and when, and where, we considered it appropriate and necessary? Is it frightened that we would no longer have to contribute to the European Union budget, at a cost of many billions a year, and rising? I cannot for the life of me see why such developments are so frightening.

There is also the old chestnut about Britain's economic dependence on the EU, and the number of jobs that people say could be lost. We have heard a great deal about that tonight. The reality is that we have a massive trade deficit with the EU. In 2010, we bought £53.5 billion more from the rest of the EU than they bought from us. It is laughable that the EU could start a trade war with the UK, when it needs us so much more than we need it.

Mr George Howarth (Knowsley) (Lab): Does my hon. Friend feel comfortable being bracketed with those such as the hon. Member for Harwich and North Essex (Mr Jenkin) who want to take away the rights of workers and recalibrate arrangements more towards employers?

Kelvin Hopkins: I want this Parliament, not Brussels, to decide our employment laws. I have every confidence that the British people will vote in a Labour Government next time, to restore powers to trade unions and to working people. That is what I shall always fight for.

If we were to leave the EU, we should also find ourselves not bound by EU competition rules, so that we could, for example—and uninhibited by Brussels—buy trains from Bombardier, rather than from continental producers. We could also stop EU rules being used to promote the privatisation of the NHS. So what is there to fear? Rather, I think that there would be great advantages to being independent of the EU, and I have not heard a compelling argument to the contrary. I am going to vote for the motion tonight. This is the beginning of a long campaign, and I look forward to its successful end.

8.17 pm

Mr Stewart Jackson (Peterborough) (Con): It is a pleasure to rise to support the motion tonight. The House will know that I am not a "usual suspect". Loyalty to the Conservative party runs through my veins, having been a member for 26 years. Those on the Front Bench will know that, when my right hon. Friend the Member for Witney (Mr Cameron) had his problems with grammar schools in 2007, I supported him. I also stood shoulder to shoulder with my right hon. Friend the Member for Richmond (Yorks) (Mr Hague) in 2001 when he was performing his historic role of saving our currency from the single currency that was being foisted on our country. He was traduced, lied about, ridiculed and attacked, and that was just by people in our own party. He was vindicated, however, and we have yet to hear a substantive apology from many of the people who advocated joining the single currency.

It is more in sorrow than in anger that I vote for the motion tonight, because I support the Government and the fantastic work that they are doing on schools reform, on welfare reform and on getting down the appalling deficit left by the previous Labour Government. So I need no lectures on loyalty from some people. I defer to the Foreign Secretary, but I regret the unfortunate rhetoric that he used this morning about parliamentary graffiti. If I may be cynical, I fear that it has been a long road to Damascus from Richmond, Yorkshire, but I hope that I am wrong about that.

I say to my colleagues that we can have a proper, mature debate on the future. This is not like the theological, semi-religious schisms of the 1990s. There is a settled Eurosceptic consensus in our party, and we now need to think about where we are going and how we are going to get there. The motion is helpful. It would have given the Prime Minister the wind behind his back. It is flexible, and it does not seek to fetter discretion. It is most certainly not a "better off out" motion. We could have had a well-informed, reasonable debate between the respective positions.

Priti Patel (Witham) (Con): My hon. Friend is making a powerful, personal statement to the House on his position on the motion. Does he agree that the public want to see less Europe and more Britain, and that the only way to achieve that is through supporting the motion and giving the British public a democratic vote on our future relationship with the EU?

Mr Jackson: I could not have put it better myself.

Hon. Members have made the point that a person has to be over 54 years of age to have had the opportunity to take part in a plebiscite on our future in Europe. If we can have a referendum on fiscal powers for Wales, on the north-east Assembly, on Scotland, Northern Ireland, Greater London government and other issues, why can we not have one on one of the most important philosophical differences about our approach to the European Union in a whole generation? It is not right.

Nadine Dorries: We have heard many Members say this evening that now is not the right time. Does my hon. Friend agree that that is a disingenuous argument because this motion does not impose a referendum now, but at some time in the future. Those hon. Members who say that now is not the right time are, as I say, being incredibly disingenuous about the motion.

Mr Jackson: Absolutely; I agree with my hon. Friend. When is the right time? Net contributions of £9 billion are not loose change in our politics. We are on the cusp of a potentially new, more deeply integrationist treaty and an irreversible hard EU monetary union with profound ramifications for the future of this country, particularly for the City of London.

I have to say to the Foreign Secretary, who is now on his flight to Canberra, that he once described the euro as

"a burning building with no exits",

but he seems happy now to provide new mortice locks for the windows and the doors.

The House of Commons should be allowed a free vote and an unfettered debate on this issue. The Government have no mandate to whip the vote as they have this evening. No one has a mandate since all the parties effectively reneged on the Lisbon treaty prior to the last general election. I have to say, as a former Whip, that this has been a catastrophic mismanagement for my party. We should have been able to show to our people that we were mature and that although we had logical differences, we would respect each other so that the integrity of Parliament would have been improved as a result. Instead, we have had the heavy-handed whipping that we have seen tonight.

We can no longer exclude the people of this country—in the era of Twitter, Facebook and the internet—from the decision-making processes. We cannot infantilise them and make them look foolish as if only we, with the political elite and the plutocratic, bureaucratic elite of Europe, know what we are doing and they are too stupid to understand because they are the little people. It will not do any longer. The people's voice will be heard.

I gave my maiden speech in June 2005. I said then that

"all political power is merely a leasehold held on trust and...it can be removed at any time. The people of Peterborough put their trust in me...I promised not to let them down".—[*Official Report*, 6 June 2005; Vol. 434, c. 1078.]

It is a leasehold; we cannot sell the freehold of our birthright, our democracy and the freedom of our country.

I have no intention of breaking the bond of trust I made with my constituents in Peterborough. If we cannot debate the biggest constitutional issue of our generation here in the very cockpit of democracy in the House of Commons, why are we here? That would make manifestos a sham and elections meaningless. For me, constituency and country must come before the baubles of ministerial office. I will keep that faith with my constituents and, with a heavy heart, I will vote for the motion and take the consequences.

8.23 pm

Caroline Lucas (Brighton, Pavilion) (Green): My starting point is that there are good democratic reasons for those in favour of our continued membership of the EU, albeit a reformed EU, to support a referendum. I believe that it is precisely the refusal to give people a say on the EU that is leading to greater public disillusionment with it. It is precisely that that leads people to think that the EU is an elitist project which is done to them and

which is not in the interests of the majority. I do not agree with that position, but I think it right that it should be debated.

I believe that the EU has enormous potential to spread peace, freedom and security, to promote and protect democracy and human rights—at home and throughout the world. It has the potential to be a true pioneer in the transition to low-carbon economies and living more rightly on the planet. I believe that to fulfil that potential, however, it has to change direction and put greater democracy and greater sustainability at the heart of its objectives. I think having a referendum would enable us to debate the end-goal or purpose of the EU. At the moment we have lots of debates about whether we want more or less EU without answering the question, "To what purpose the EU?"

For many Conservative Members, the answer will be that they want the EU, if they want it at all, to have far more of a free trade focus. For my party, we think it has too much of a free trade focus, but that is not the issue. The issue here is the right of the people to say what they want, the right to have that debate and the right for us to differ, as necessary, but none the less to have that debate about the advantages and, indeed, some disadvantages of the EU.

In my experience, many of today's European citizens are simply no longer sure what the EU is for. In my view, the ambitious free trade project at the heart of its original treatise has become an end in itself. Debates about the future of the EU have been dominated by the idea that the overriding goals of European integration are economic and that the progress of the EU should be judged in terms of economic growth and the removal of market barriers alone. As a result, the EU has failed to address fundamental questions of political culture and strategic purpose and has therefore also failed to inspire the mass of citizens with a sense of enthusiasm and common cause, thus calling into question its own legitimacy.

In order to tackle the new threats and challenges we face today and to deliver a fair, sustainable and peaceful Europe into the 21st century and beyond, the EU must undergo radical reform. It must become more democratic and accountable, less bureaucratic and remote. It also needs to have a more compelling vision of its role and purpose, and a referendum would provide an opportunity to debate precisely those issues. To try to shut down that opportunity is, I think, very dangerous. It is possible to be pro a reformed EU and in favour of a referendum.

I agree that there are plenty of areas where the EU needs reform. The common agricultural policy is in many respects an environmental disaster. The common fisheries policy ends up with enormous over-fishing and the scandal of discards. Unaccountable corporate influence over decision making skews the outcome of many decisions. There is an extraordinary arrogance, for example, in dressing up the Lisbon treaty as something different from the repackaging of the constitution that it really was.

I believe that, more urgently than ever, we need the EU to fulfil its potential for strong environmental policy and for securing energy policy and energy security into the future. If it is to do that, however, it must have the consent of the British people. We need to make the case for a reformed EU. We should not be afraid of making that case. I believe that if we make it strongly, we will win it, which is why I support tonight's proposal for a referendum.

8.27 pm

Glyn Davies (Montgomeryshire) (Con): Thank you, Mr Deputy Speaker, for calling me to speak in this very important debate. It is, in fact, a historic debate because it is the first that has been triggered by the public through the petitions system. I believe that that system is a wonderful one; it is absolutely right to hold this debate today. I also think it right in principle that this House should debate issues of particular importance to the public, of which this is one.

I shall oppose the motion, which fills me with disappointment. I would have liked to come to this debate to speak about the frustrations I feel—many of my colleagues have spoken about theirs today—over many of the decisions taken in the European Parliament, which I would have preferred to see taken in the British Parliament. There has been a trend for decisions to be made in the European Parliament since 1975. I should have liked to concentrate on that, and to speak in favour of a motion rather than against one.

I am a Eurosceptic and always have been. In 1975 I campaigned for an "out" vote. I remember one of my colleagues saying that at the start of that referendum we thought we would win, but in the event we lost by a ratio of 2:1, and that is a lesson that I have not forgotten. Perhaps my greatest contribution was that in 2001, during a Save the Pound rally in Monmouth at which the current Foreign Secretary was speaking, I was hit on the back of the head by an egg that was directed at him. I "took one" for the Conservative party.

Charlotte Leslie (Bristol North West) (Con): The motion is tragically timed, because it pits against each other the equally valid causes of ensuring that security and stability are maintained during a great euro crisis that will affect us here in the United Kingdom—even the discussion of a referendum on leaving the European Union will contribute to that instability—and giving the people the voice that they have been denied for so long in the determination of our role in Europe. It is a shame that that conflict has arisen today, but it makes our referendum lock and the conditions surrounding it all the more important.

Glyn Davies: I agree with my hon. Friend. I am in conflict with many of my colleagues who have spoken today about timing, and I am very disappointed not to be flying the Eurosceptic flag that I should like to be flying. I remember how appalled I was when the last Government reneged on what I saw as a promise to hold a referendum on the Lisbon treaty. That was the right time, but I believe that it may well come again and in similar circumstances.

Two issues matter greatly to me. One is the type of referendum that we are discussing. I think that if a referendum is to be held and is to engage the public, there should be two options rather than three, as the motion suggests. A "preferendum" would be a mistake because it would not be clear enough, and I therefore cannot support the motion. The second issue is timing. I think that to have a debate on a referendum would be a huge mistake while we in Britain must deal with huge financial and economic issues, along with another massive issue—the social dislocation felt by so many of our young people. A referendum on our future relationship

[Glyn Davies]

with the European Union would constitute a severe distraction from the two real missions of this coalition Government.

Ian Paisley: The hon. Gentleman knows that it would take at least 18 months to reach the point at which a referendum could take place. If this is not the right time, is 18 months from now the right time? As for the questions that would be asked in the referendum, that will be resolved during the negotiation period and in the Bill Committee. All the issues raised by the hon. Gentleman can easily be accommodated, and I appeal to him to change his position.

Glyn Davies: I accept what the hon. Gentleman has said, but I think we should be much clearer about both those issues before proceeding with a referendum. We need to know exactly what the position is. We should not say, "We are in favour of this", as if we were some sixth-form debating society; we should say, "This is what is being proposed", and then say whether we are in favour of it or not. What we need is a clear-cut question.

Many people have asked when will be the right time, but we cannot say when the right time will be. We have a Foreign Secretary and a Prime Minister who will conduct negotiations with the European Union, hopefully in order to restore powers to the United Kingdom. There may well be another treaty, as there was a Lisbon treaty, and in that event we as a Government would not renege as the last Government did. We would hold a referendum on an issue that the public could clearly understand, at a time when the people were ready to debate it. I hope that this debate will not lead to a referendum, because I do not think its focus would be clear, and clarity is what we need.

There has been a great deal of discussion about a free vote and the involvement of the Whips. I want to make it clear that I made up my mind as soon as I saw the motion. I had been looking forward to a motion on this issue and had been keen to speak in favour of it, but when I saw it, I concluded that it had been a mistake because it divided Eurosceptic opinion. Long before any Whip contacted me I resolved to vote against it, and to try to catch Mr Speaker's eye. I am glad to say that I did catch Mr Speaker's eye, and I am grateful for the opportunity to speak.

I believe that one day, following a serious negotiation, there will be a referendum on our relationship with the European Union, and that that referendum will ask a clear question enabling the public to say yes or no about our relationship with the European Union. I look forward to that day, but I shall be voting against the motion tonight.

8.34 pm

Michael Connarty (Linlithgow and East Falkirk) (Lab): This is an interesting debate, and I apologise for having missed a few of the contributions. It is also a strange debate, however, in that many of the arguments being proposed in support of the motion do not, in fact, support it. My good friend the hon. Member for Stone (Mr Cash) is not in the Chamber at present. He talked about the £40 billion trade deficit, but anyone who voted for the Common Market voted for that to happen, as, unfortunately, it is inevitable in a free market economy. For instance, 73% of our chemical industry is now owned by companies that are not based in the UK, and that will end up against us in the trade figures.

My hon. Friend the Member for Vauxhall (Kate Hoey) is also no longer here. She urged us to put our own logical or ideological assessments before the instructions of the Whips. I have always done that, which is why I am going to vote against the motion. It is not logical to vote for it.

My hon. Friend the Member for Glasgow South West (Mr Davidson) has slipped away. He is not so much a friend as an ongoing further education project for me. I pointed out to him that the only way to get any of what he wants is to invoke article 50 of the Lisbon treaty, which states that we can leave the European Union. That has been put in place very deliberately. However, article 49 states that any country that leaves will be dealt with as if it is a new applicant, with no automatic right to rejoin and no special advantages. All this nonsense about renegotiating, repositioning and working on reform does not apply, therefore, and only a straight in/out referendum would be relevant. We could act upon that, but everything else would be left entirely to chance and to negotiations in the European Council and the European Parliament. That is the reality.

Andrew Percy: Surely the hon. Gentleman accepts that we can agree a new treaty that does exactly what many Members on the Government Benches wish. We can leave it to the treaty to achieve that.

Michael Connarty: Let me give the following advice to the hon. Gentleman, and to the Scottish National party Member who is present, the hon. Member for Perth and North Perthshire (Pete Wishart). The SNP thinks that if Scotland votes to separate from the rest of the United Kingdom, it can walk straight into the EU, but that is not the case. Scotland would get into the EU only if it agreed to one major condition: it would have to join the eurozone.

If the UK wanted to get back in, we would have to join the eurozone too. That is the reality, because that is now a condition for entering the EU, and it has been since before the Lisbon treaty. The position is as follows, therefore: we would have to decide in a referendum whether we wanted to be out of the EU, and if we wanted to go back in after that, we would then be at a great disadvantage because a decision would not come into force until after two years. It would have to be ratified by the other states; it would go ahead only if the European Parliament were to agree to it; and there would then be a vote to agree it in the Council under qualified majority terms. We are therefore tied up in knots by the Lisbon treaty, which I have described as a tipping point.

I am glad to see that the mover of the motion, the hon. Member for Bury North (Mr Nuttall), is back in his place. He argued that the closure of an accident and emergency department in his constituency was down to the European Union. If there is such a closure in a Member's area, the people who can deal with it are sitting on the Government Front Bench. The hon. Gentleman should ask SNP Members about that, because of what happened after their party was elected with a clear majority in the Scottish Government elections.

The first thing it did was overturn a proposal to close two accident and emergency units: one in Monklands and the other in Ayrshire. That illustrates the power of Government in this context. Such issues are nothing to do with the European Union, therefore, so the hon. Gentleman should not have made that point.

Some Members have also said that the call for a referendum expresses the settled will of the people. I respect, and am very fond of, my hon. Friend the Member for North East Derbyshire (Natascha Engel), but that is a very misleading claim to make. If we get 100,000 people writing in to say we should have a vote on a referendum on capital punishment, that would be more likely to be carried than the vote on this referendum. Are we really saying that 100,000 signatures would trigger a debate and vote in the House on a referendum on capital punishment? This is not about the settled will of the people, therefore. It just so happens that a lot of people have sent in some signatures on blogs, and I do not want to pay particular attention to them because I think that it is important that, like the Tunisian people, we respect parliamentary democracy.

Dr McCrea: If this referendum were held and its result clearly expressed the settled will of the people, would the hon. Gentleman be willing to accept that?

Michael Connarty: I voted in the 1975 referendum, and I voted yes. I did not vote in favour of the Common Market; I voted in favour of the aspirations that were so well described by the hon. Member for North Dorset (Mr Walter). Do we really think we have lasting peace? How long ago was Srebrenica? What state are the Balkans in at present? Do we really think the search for peace is finished business? It is not finished business by a long way.

I also voted yes because I knew there was a better way forward that was not on offer at that time. That was introduced by Delors, when he brought in the social chapter. That is what I joined the EU for—social agreement. I support most of what would be offered us in the justice and social packages; they would guarantee them for our people as well as for all the people throughout Europe. These are things that are done by negotiation.

Several hon. Members *rose—*

Michael Connarty: I do not have time to give way, as I have given way twice and I know how the system works.

It is clearly important that we consider what the European Union is about. There are things to give up, such as our obsession with not wanting people in Europe to have the same rights when they are on trial. We are opposing translation rights and the right to legal representation—this Government are opposing them at the moment. How can anyone justify that? Europe has to be a better place to live. If it was not for the social chapter—

Richard Drax (South Dorset) (Con) *rose—*

Michael Connarty: The hon. Gentleman knows the rules. I have given way often enough and I have had my extra two minutes.

We need to think about Delors and what happened when the package for the social chapter came in. It protected the people I represent from Thatcherism in its worst aspects; it was a chance to rebalance Europe and bring about a social Europe. So much has been said about that. I respect the hon. Member for Gravesham (Mr Holloway), who decided to resign as a Parliamentary Private Secretary, as it is right that people should be able to put their principles before someone's attempt to give them a little bag-carrying job. I am not sure that he would be resigning quite as quickly if he was a Minister. The problem is that no Ministers have been saying that they will resign their ministerial position over this matter.

The Liberal Democrats say that they would vote for a referendum only on a fundamental shift, but there has been a fundamental shift. It has been away from voting Liberal, and their voting with the Government will damage them. I am sorry about that, but the Liberals did say that they would do something. The European Union still protects the three red lines: defence, tax and foreign policy. What we need to do in this place is give more power to the Backbench Business Committee and the European Scrutiny Committee to stop the Government voting things through in the Council, which they do at the moment.

8.41 pm

Mr Douglas Carswell (Clacton) (Con): For 40 years, we have left Europe policy to Ministers and to mandarins—to a tiny Whitehall elite. Look at the collective mess that they have made of it. We have a fisheries policy with no fish; red tape strangling small businesses; financial regulation that suffocates the City; and now we are being asked to spend billions of pounds bailing out a currency that we never even joined. We have lurched from one bad deal with Brussels to the next, and from one disastrous round of negotiations to another. That is the price we pay for leaving it to Ministers and mandarins to decide our Europe policy. It is time to trust the people. Today, every Member of this House faces a straightforward choice. They can either vote to give people a referendum on the EU or they can vote not to trust the people.

Mr Charles Walker: Would my hon. Friend like to expand on that point?

Mr Carswell: I shall try to do so over the next three minutes, and I am grateful for that thoughtful and erudite intervention.

This is a matter of principle: is it right, in principle, to put the question of EU membership to a popular vote? Too many people in Westminster—in SW1—try to second-guess how the voters may vote in a referendum and then work backwards to decide whether or not they favour a referendum. Instead we should start from the principle: is it right for the people to decide? Yes it is, and I believe that this issue qualifies for a referendum. The issue is of massive constitutional significance, it divides all three parties and it cannot be adequately settled in a general election.

Referendums can no longer be dismissed, as they have been for many years, as somehow alien to the British tradition. We have had dozens of referendums since 1997, including a national referendum on the alternative vote.

Richard Drax: Does my hon. Friend accept that the reason why we are having more and more referendums is that the people who put us here simply do not trust us?

Mr Carswell: My hon. Friend makes an important point. There has been a mood change in this country away from what one might call "deferential democracy", where people leave it to the 650 people here to make public policy, to a new kind of democracy, where people want more choice and they want politics to be done by them, rather than to them by a remote elite. Some people in my party and in our own Whips Office have not truly understood that sea change.

If we are to have a referendum to decide how we elect Members of Parliament, surely we can have a referendum to decide whether or not those we elect should make the rules under which we live. Today's motion has been put on the Commons agenda by the people. It is to this coalition's immense credit that it has introduced a mechanism to allow voters to trigger debates—some 100,000 voters have triggered this debate. But we cannot say that we want to renew democracy if we shy away from the outcome of what the people say. We cannot claim that we want a new politics if we then use old-style whipping tactics from the 1950s to crush debate—or, rather, we could do all that but then we would have the credibility of a Greek Government bond.

Today's vote is about change. I am voting for an EU referendum because I want change—change not only in our relationship with Europe but fundamental change in the way this country is run. I am not voting for a referendum in the hope that it will take us to some insular, mythical island past: I am voting for an open society—a truly global country. Ultimately, this is not about flags, anthems or identity, but about whether it is right for millions of people to have their lives arranged for them by deliberate design of technocrats. It is about democracy.

I ask each Member to cast their mind back to the day they were first elected to this House. I ask them to recall that sense of pride mingled with awesome responsibility when the returning officer read out the winner's name. Most hon. Members will have felt in their bones that entering this House was one of the most exalted and greatest moments in their lives. Look at how today we are scorned. "MPs don't keep their promises," say the cynics. "You say whatever you say to get elected," they cry. Today is our chance to show the cynics that they are wrong.

All three parties until recently promised the people a referendum on the EU. There is no point in clever wordplay or in reading the clever brief from the Foreign and Commonwealth Office officials—most people understood that we were going to give them a referendum. That is what MPs in all parties wanted the people to believe and it is the impression that we deliberately conveyed. This evening, we have a chance to keep our promises, to honour our word and to keep faith in our country. I will vote to let the people decide and I urge other hon. Members to do so. My hon. Friends the Members for Peterborough (Mr Jackson) and for Gravesham (Mr Holloway) are indeed honourable and it is a privilege to be their colleague on the Back Benches.

8.46 pm

Steve McCabe (Birmingham, Selly Oak) (Lab): Given what I want to say, Mr Deputy Speaker, I might, with all due respect, if I had had a choice, have preferred not to follow the hon. Member for Clacton (Mr Carswell).

They say that if you hang around this place for long enough nothing should surprise you, but recent antics do surprise me. The other week we were subjected to manoeuvres par excellence by the Government Whips and business managers to block discussion on a clause put forward by the hon. Member for Gainsborough (Mr Leigh) on the subject of freedom of speech in a Bill laughably called the Protection of Freedoms Bill. Tonight, the Government Whips—indeed, the Whips and business managers of all three main parties—have conspired to put a three-line Whip on a Back-Bench business motion, which effectively means that Parliament is being invited to talk about Europe but not to vote on it. So much for the mother of Parliaments!

Let me make it clear that I am not anti-European and that if I vote for the motion tonight I shall find myself in the Lobby with some strange bedfellows, including some people who, frankly, I think are mad. If there ever were an in/out referendum, I would almost certainly find myself arguing the case for trade and jobs in Europe. I think that is where I would end up. However, I also recognise that there is growing demand for reform in Europe. It is Lib Dem policy to have an in/out referendum, and most people understood it to be the Prime Minister's policy to have a referendum if there was any significant change to the Lisbon treaty. Indeed, no one who has heard the Prime Minister over the past three years could think he was anything but a referendum man. And our esteemed Foreign Secretary once thought these issues were so important that he fought an entire general election on them.

Tonight, however, in a little Back-Bench business debate where the normally unimportant little people are expressing their views—views that strike a remarkable chord with the British public—the muscle men, the U-turn merchants and the bully boys, the Ministers and the would-be Ministers, are all out to force their say. What they are saying is, "All you little Cinderellas can go to the ball, but you can't dance." All the grand talk from this Government about greater respect for Parliament and Back Benchers, and the role that they have played in setting up the Backbench Business Committee, amount to nothing if the Government show tonight that they are scared to debate the topic.

A Back-Bench business debate is just that. It is about taking the temperature. This is not an Opposition day. We are not dealing with Government business. In a simple little Back-Bench business debate, I think I am entitled to vote how I damn well like.

8.50 pm

Mr Graham Stuart (Beverley and Holderness) (Con): It is a great pleasure to participate in tonight's historic debate. We have heard many great, passionate speeches from both sides of the House, but none more so than from the Government Benches, many Members seeing this as an opportunity to strike out against over-whipped government and to seek a return to more democratic values.

I consider myself to be a Eurosceptic, so I find myself in a strange position: I will vote against the motion, but not because I have been leant on by any Whips. I came to that conclusion prior to the first call. It is an insight into the co-ordination of Whips that you tell one at length, then another one rings you up anyway. They could get more co-ordinated.

To follow on from the hon. Member for Birmingham, Selly Oak (Steve McCabe), it is a shame that tonight has gone the way it has, though it is unfair to say that the Government have not allowed debate. From a party political management perspective, it may have been naïve to do what the Government have done. They brought the debate forward to today, the Prime Minister through his statement was able to participate, and the Foreign Secretary led for the Government. Far from stifling debate, therefore, the Government at the highest level have engaged with it. Whether that was wise party management I leave to others to judge, but I think it probably was not.

In response to my hon. Friend the Member for Clacton (Mr Carswell), who gave a powerful speech, I believe in parliamentary democracy. I do not believe parliamentary democracy puts down the small people. I know my hon. Friend has strong beliefs, which he has espoused over many years, including a belief in direct democracy. He has an agenda for direct democracy. He does not believe in the representative democracy that I believe in.

I do not believe that we are delegates. I am not about the percentage of my constituents who believe a particular thing. I should be out there listening to them, and I was out there on Saturday at my street surgery. The previous weekend I spent all day going round the villages listening to people and hearing from them, but it is not my job to do whatever the percentage majority tell me to do. My job is to come to this place and do the best I can by the people whom I represent.

Mark Reckless: Can representative democracy work only if we keep our promises to the electorate? On this issue, all three major parties promised a referendum and we are not giving it.

Mr Stuart: With the greatest respect to my hon. Friend, that is one of the great myths that has been peddled. He does a disservice to the party. As I said in an intervention earlier, I honestly believe that the Prime Minister was not reneging on the promise on Lisbon when it had been ratified. If I had promised a board meeting before a payment goes out and someone else pays it out, the cheque is cashed and I do not hold a board meeting to discuss the cheque that has already been cashed—I am not reneging on anything; I am simply recognising the reality. I do not believe that the Conservative party or the Prime Minister reneged on any promise.

The manifesto on which I and my hon. Friend stood in 2010 made no promise of any referendum whatsoever. What it did promise—I say this gently to my colleagues tonight—was to bring in a referendum lock if there was to be further treaty change. I recognise and my hon. Friends point out that some powers leak and leech away without a treaty in prospect. The passage of a European Union treaty, however, was historic in this Parliament and this democracy. There will come a time when a treaty triggers the provision, and it will not be far off—I do not believe that the Government can slip vast powers under it. The truth is that that time is coming and we are winning the argument. The last thing we need to do is fight among ourselves. We must recognise that we are carrying the British people, who are more Eurosceptic, with us.

I continue to believe that we are better off within the European Union, although I am open to persuasion that we could be better off out. Some colleagues who believe that passionately are using today's debate as a Trojan horse. I respect their view, but I think that the three-part nature of the motion is confusion and that the suggestion that we can somehow mandate the Government to renegotiate is false. I do not see how we can do that. The Government must lead and get the best position they can. When they come back with a treaty, as I am sure they will in the not-too-distant future, it will be put to the British people. That will be the time to do it. I do not think that it is disingenuous to talk about timing.

Charlie Elphicke (Dover) (Con): My hon. Friend touches on a central point, which is that not all of us feel that we would be better off out of the EU. Many of us want the common market we signed up for, more free trade and less of the baggage. Is that not the direction of travel in which we should be headed?

Mr Stuart: I agree. Colleagues might say tonight with a wry smile that they, too, like the Prime Minister, believe in nudge theory. They would say that the motion, the strong debate and the number of Members who will be in the Aye Lobby will tell the Government how seriously members of our party feel on the matter, and they may have a point. My constituents, whom I have sensibly been talking and listening to, are not telling me that this is top of their list of priorities. At the top of their list are jobs, employment and the need to ensure that we do not put people in the dole queue, particularly young people, as one of the Labour party's toxic legacies was to leave so many young people not in education, employment or training.

Our duty is to move very coolly on this subject. The time will come when we will have a referendum. We should not pass the motion tonight. We should absolutely listen to our constituents, who are telling us that they have priorities above and beyond the obsession in certain parts of the Conservative party with Europe above all other issues.

8.56 pm

George Eustice (Camborne and Redruth) (Con): May I say how good it is that we are having this important debate this evening, but how disappointed I am that the build-up to it has given the impression that the Conservative party is divided on Britain's approach to the European Union? The truth is that the only real division this evening will be over the wording of a motion, not the substance of our approach to the EU. In reality, Conservatives are united in believing that the EU has accumulated far too many powers, that the status quo is no longer an option and that we must renegotiate a new relationship with the EU and make a fresh start.

I think that three distinct steps need to be taken. First, we need a plan, and in my view the Government should be doing the work right now to identify which powers we would seek to repatriate. Secondly, we need to take every opportunity we have to negotiate and to deliver that plan. Finally, the end of the process should be the point at which we have a referendum and put the renegotiation to the people.

It is because I believe that a referendum should come at the end of the process, rather than the beginning, that I cannot support the motion as it stands this evening. However, I cannot support the Government by voting

[George Eustice]

against it, so I will abstain. The reason I cannot support the Government is that I want them to do far more than they have so far been willing to do to accelerate the plan for a renegotiation. That will be the main focus of my comments today.

It concerns me that the Foreign Office might be ducking the challenge here, and I have been very disappointed by the "jam tomorrow" nature of some of the Foreign Secretary's comments. The urgent need to get our economy moving again becomes clearer by the day. There are no easy ways out of the current mess. We need radical thinking to get our country moving again, and that should include dealing with the morass of EU laws and regulations. I do not think that it is good enough to say that changing the EU is all too difficult and so nothing can be done for years to come. Sorting out the EU is not something that might be nice in the distant future; tackling the burden of EU regulation is an integral part of the solution to the current crisis and we must act now. We have to find a way of cutting the Gordian knot that has created a situation in which politicians talk about reforming the EU but can never find the moment to deliver real change.

Charlie Elphicke: Will my hon. Friend set out how exactly he would cut that Gordian knot?

George Eustice: I was about to come on to precisely that.

I do not accept the argument that nothing can be done until there has been an intergovernmental conference or a new treaty. Where there is the political will, there is always a way, and where needs must, the EU has shown itself able to react quickly and then sort out the lawyers and the legal basis for action later.

Mark Pritchard: I commend my hon. Friend for his long-standing convictions on these issues. He talks about a White Paper, renegotiating powers and then a referendum. What timetable does he envisage for that referendum?

George Eustice: It would come as soon as we had finished the negotiation, and if I had my way, it would happen very quickly and, certainly, within this Parliament.

The bail-outs in Greece and Ireland were technically against EU law, but the European financial stability facility was agreed and implemented within days; three years ago, the bank bail-outs breached EU state aid rules, but again exemptions were created when needs required it. Sweden has technically been in breach of the treaties for a decade, because it does not have an opt-out from the euro, but the EU has had to learn to live with it, as that is the political reality. The Danish Government have unilaterally introduced extra customs checks on their borders, which are in breach of the Schengen agreement, but, again, the EU has had to learn to live with it.

The lesson from those examples is that EU law is a flexible notion. In fact, the European Union Act 2011 explicitly states that EU regulations and directives have force in this country only when Parliament allows them to, so we must be far more willing to set aside the authority of the European Court of Justice, and crucially we should not let dreary treaties and EU protocols get in the way of taking urgent action to stimulate our economy.

Let us say to the EU that we are going to delay the agency workers directive, making it clear to the institution that it will have to learn to live with that and that we will not accept an infraction procedure. Let us make it clear, during the current negotiations on the budget, that we intend to disapply, for instance, the working time directive, which was mentioned earlier, until we get this economy out of recession.

The European Union would complain, but, if the evidence of the examples I have cited is anything to go by, it would probably take it at least three years to get around to doing anything about it. Such a move might do something else, too. People keep saying, "These European politicians have no intention of having a treaty; they just won't negotiate with us, so we have to give up," but if we unilaterally did those things we would suddenly find that there was an appetite for a long-term solution to such issues. It would be a catalyst to get negotiations moving.

Bob Stewart: Will my hon. Friend give way?

George Eustice: I am sorry, but I have almost finished, and I do not want to eat into other people's time.

Negotiators in the Foreign Office would probably wince at the idea of adopting such a stance, but it is the only way we can cut that Gordian knot, sort out the EU and get our economy moving again, and I very much hope that the Minister takes those comments on board.

9.2 pm

Kris Hopkins (Keighley) (Con): I, like many in the country, am angered at the continued erosion of our sovereignty, and at the shipping of our powers across the channel to Brussels. Businesses, the judicial system and citizens of this country are subject to a growing federalisation—to federalist power—that seeks to engulf not only the economy but our politics.

The unfolding eurozone disaster is an example of the chaotic and unaccountable actions that have been allowed to play out within the European project, and that in itself is bad enough, but the failure of eurozone members to take responsibility, to lay the facts before each other and to own up to mistakes is what concerns me more. I am a Eurosceptic, and I struggle to find anything to respect in an institution that cannot sign off its own accounts, let alone manage someone else's.

Jim Shannon (Strangford) (DUP): For 32 years the UK has been a net contributor, not a recipient, of EU moneys. If it were a pension scheme, everybody would say, "Let's get out now." Does that not underline the need for the people of the United Kingdom to make up their own minds in a referendum, and not to pay into a system that takes plenty but gives little?

Kris Hopkins: I thank the hon. Gentleman for his intervention. I look forward to campaigning for such a referendum to be put into our next manifesto.

I welcome and support the referendum lock, and I look forward to seeing the work of the Prime Minister and the Foreign Secretary to ensure that we bring

powers back from Brussels, and initiate reform of the European Union. That was part of our election promise, and we should see it through.

I watched the Conservative Government in the 1990s rip themselves apart over Europe. After 13 years in opposition, I am dismayed that after just 18 months in government, we are sitting here again with the same tension. There is an element of self indulgence here and, if we are not careful, it will be a route to self-destruction. We are facing the greatest economic upheaval in 100 years.

Justin Tomlinson (North Swindon) (Con): Will my hon. Friend explain why this was the second most popular issue on the e-petitions list?

Kris Hopkins: As I said in response to the hon. Member for Strangford (Jim Shannon), if there is such support for the matter, we should campaign to ensure that it is part of our party's next election manifesto.

Should we compromise on financial stability, growth and maintaining low interest rates for the sake of losing our ability to negotiate reform, and to negotiate to bring powers back to this country? If we compromise now, we will have a lame duck Government for a couple of years while the world watches, knowing that we will have a referendum that might compromise that position. We have the best hand in a generation, and we should play it to full effect.

This is the wrong motion at the wrong time for this country. This is Great Britain, and we do not run away when Europe gets into trouble. In fact, we have a reputation for sorting out those poor fellows. It is in Britain's interest to be at the table.

Richard Drax: Will my hon. Friend give way?

Kris Hopkins: No.

The global economy is changing rapidly, and the focus of power is moving east. We need to be able to use all the opportunities, including through the European Union, to participate in that growth of wealth. Some hon. Members have said today that it would not be democratic if the 100,000 votes do not win the day, but I have an opinion and other hon. Members have a different one. That is democracy, and I will vote against the motion.

9.7 pm

Mr Richard Shepherd (Aldridge-Brownhills) (Con): On 21 February 1992, there was a Second Reading debate on a private Member's Bill that I had introduced on a referendum on the Maastricht treaty. It was anticipatory, and the occasion was the last one on which Mrs Thatcher voted as a Member of this House. It is not because of vanity that I mention that, but because of a remarkable speech. This is an appeal to Labour Members. I will quote that remarkable speech, which was made by Peter Shore—those who knew him will understand why I say that—the then Member for Bethnal Green and Stepney. He said that a

"referendum...offers one of the few possibilities to remedy a fundamental weakness in our constitution. We have no written constitution and no procedures to protect and entrench features of our national and constitutional life. Everything can be changed by a simple majority. Many other countries, as we know, have quite elaborate procedures requiring a majority of two thirds for changes in constitutional matters and arrangements, often backed up with public referendums."

Then he comes to the burden of the argument:

"We have no such defence. Indeed, previously we did not need them, because only this generation of British parliamentary representatives has contemplated handing to others the great prizes of national independence, self-government and the rule of law under our own elected representatives. It would not have occurred to a previous generation to hand to others that which we prize most greatly and have given to other countries throughout the world in the past 50 years. That is the novelty of the proposition, against which, because we did not think it conceivable, we have no defences. A referendum is a major constitutional device for defending the rights of the British people and our constitution."—[*Official Report*, 21 February 1992; Vol. 204, c. 590.]

I was personally moved by that because it described the thread that ran through our long march for liberty, with the ordinary people coming to effect the election of this House, and those who represented them knowing that only they could make the law by which we were governed. In this, the concept of the rule of law, there has to be proper due process. That debate, which took place immediately before the election, was very controversial. Subsequently, I moved the referendum amendment to the Maastricht Bill.

All the arguments advanced by my right hon. Friend the Foreign Secretary amounted to what we have heard so often regarding ordinary and constitutional legislation: "It is not the right time." My hon. Friend the Member for North East Somerset (Jacob Rees-Mogg) put it very brilliantly as he dissected what that amounts to. A referendum essentially says, "Trust the people", and that is the one thing that the Executive of this House are loth to do because they do not know what the outcome will be. However, we should respond to the generosity of the Government in allowing a Committee of this House to accept a petition from the public outside. We need a referendum.

9.11 pm

Mr Robin Walker (Worcester) (Con): I have always been proud to be a moderate, one-nation Conservative and a supporter of this coalition Government. Like the hon. Member for Vauxhall (Kate Hoey), my Euroscepticism is driven by internationalism, and I fear the dangers of a "little Europe".

I welcome the work that the Prime Minister and the Foreign Secretary have done to limit our exposure to eurozone bail-outs, provide a referendum lock on future treaties and reduce the EU budget, and I strongly support what they say about the benefits of being in Europe but not run by Europe. However, I believe that all three major parties are mistaken in opposing the motion, and more greatly so in imposing harsh Whips on their supporters.

This cross-party Back-Bench motion reflects a profound disquiet in the country at the fact that, for decades, we have had no say on our relationship with Europe, and it reflects widespread popular support for an opportunity for people to have that say. I was born in 1978, and in no time during my lifetime, nor in the adult lifetimes of the vast majority of hon. Members, has there been an opportunity to debate publicly our membership, or even the terms of our membership, of the EU. Eight out of 10 people eligible to vote today have never had this opportunity. There should have been a referendum on

[Mr Robin Walker]

the Lisbon treaty. I am proud that Conservative Members voted against that treaty when Labour disgracefully broke its promise to hold a referendum on the constitution that it replaced.

There have been many debates in this House on aspects of European policy, but none has triggered a referendum or engaged the public in the way that today's motion could. Many hon. Members, such as my hon. Friend the Member for Montgomeryshire (Glyn Davies), have very reasonably criticised the idea of a three-way referendum. I would far rather have supported a straight yes or no question on renegotiating the powers of Brussels. That is why I would have unreservedly supported the amendment in the name of my hon. Friend the Member for Camborne and Redruth (George Eustice). Sadly, as that amendment was not selected, I find myself faced with a dilemma. In a three-way referendum, there is a risk that the wrong answer can be achieved with a significant minority vote, as the Prime Minister has explained. I have never argued for an in/out referendum because I do not believe that that is the right question to ask.

Mr Gyimah: My hon. Friend makes a very passionate case. Was not repatriating powers from Brussels in our last election manifesto, and is it not therefore Conservative party policy and the Government's policy?

Mr Walker: I am grateful for that intervention. I agree that that was in our manifesto. Unfortunately, that does not appear to be the policy of the coalition Government. That is my concern.

I support the third option set out on the Order Paper: renegotiating our membership to base it on trade and co-operation. That is what we signed up for in the first place. The question comes down to whether one believes that the risks inherent in a three-way referendum outweigh the benefits of what in my view, in the view of the last Conservative manifesto and, I believe, in the view of the vast majority of the British people is the right thing to do. As the hon. Member for Birmingham, Edgbaston (Ms Stuart) said, it comes down to whether one trusts the people, and I trust the British people. I believe that if they were offered such a choice and were engaged in a reasoned debate on the three options, they would do as they did with the AV referendum and come to a sensible conclusion.

Mark Pritchard *rose—*

Mr Walker: I will not give way again, I am afraid.

I do not buy the argument that now is the wrong time. The motion states that a Bill should be brought forward in the next Session of Parliament. If the eurozone crisis has not been resolved by then, we are all in much greater trouble than we thought.

In conclusion, I am no Euro-fanatic and have no great desire to earn the label of rebel because I strongly support many of the steps that the coalition Government have taken. As my hon. Friend the Member for Beverley and Holderness (Mr Stuart) pointed out, we are the representatives of our constituents, not just delegates. It is not right to vote on an issue simply because of the number of letters we have received or according to what we hear on the doorstep, but as representatives we should certainly take those things into account.

I spent much of my weekend talking to constituents about this issue, along with many others. Everyone I asked felt it was right that they should have a choice. I received many letters in support of the motion and only one against, from a retired Labour councillor. Among those letters, one that made an impression was from my constituent, Mr Raymond Cross, who wrote:

> "I am almost 87 years of age, served and offered my life to my King and Country...in the army during the second world war. I still have the original 'Britain & Europe' booklet issued by the Ted Heath Government in July 1971. That is what we voted on in 1975.
>
> There should be a free vote on this referendum. Members of Parliament are there to debate the pros and cons of the motion put forward not to obey slavishly the will of"

their parties. I profoundly regret that there is no such free vote. I am a passionate supporter of my party and this coalition Government, but it is a well-established convention that constituency should come before party and, still more importantly, that country should come before all. On that basis, I shall support the motion tonight.

9.16 pm

David Morris (Morecambe and Lunesdale) (Con): I contribute to this debate as a Eurosceptic who believes that too many of our powers and freedoms and too much of our money have been handed over to Brussels.

For years, we have argued desperately and even begged to maintain our membership of the EU without being ruled by an undemocratic federal state. We failed largely because the whole basis of the European project was to have a federal country with its own currency. The assumption was that even countries such as Denmark and Britain would come round eventually and join the euro. After that, we would all become one big federal country like America. That situation made it almost impossible for people like me who want to co-operate in Europe, but to remain British.

Things have changed significantly in recent years. The euro is in turmoil. The dream, or perhaps the nightmare, of a federal state with one currency is nearly dead. It cannot now happen. That gives us an opportunity. For years we have talked about a two-speed Europe. There is now an opportunity for a two-system Europe. Those who want closer union can have it, while countries such as Britain, Greece and Denmark can be more loosely aligned. That is what my right hon. Friend the Foreign Secretary talked about when he used the phrase,

> "In Europe, but not run by Europe."

It seems that there now have to be two systems, whether Brussels likes it or not. The good news for us Eurosceptics is that for the first time since the 1980s, we have a Government who are genuinely committed to negotiating for that. If negotiations fail on the two-system Europe, we will have to reappraise our approach.

For now, we must grasp the opportunity. This is the first time in decades when we have had the opportunity to be in Europe, but not in a federal state where we are dictated to by people with whom we disagree. We are now in a stronger position and we need to show strength. This window of opportunity will not exist for ever, so I want the Government to go back to Europe and get our powers back.

Most people who advocated this referendum would be happy if we got the benefits of Europe, namely free trade, without all the red tape. If we can do that, we can

put the issue to bed for ever. We would save ourselves from extra tax and bureaucracy. That is agreed across the House. Saving ourselves from both those things will be vital for economic growth. I think we now all agree that a federal Europe is dead. Britain will now never join the euro, and we have the chance to renegotiate—we have that assurance from the Prime Minister. Let us do that while the opportunity exists, and if that fails, we can have a referendum on leaving the EU.

The motion has the passion of a broad, belief-based ideology, and we can read it in any way we want depending on our own views. I believe that I signed up to point (c) in the motion—let us renegotiate. In Europe, but not run by Europe.

9.20 pm

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): I had not intended to speak in the debate, but having sat through some three hours or so earlier and heard a number of points of view, I thought I would take the opportunity to make a few points.

I fully accept that the House should take very seriously the number of signatures on the e-petition and the views that have been expressed to many MPs. I certainly accept that they are expressions of widespread concern. However, Members must accept that although some people feel very strongly about the issue, that does not mean that all people do. It is only a year and a half since we had a general election, and at that point none of the major parties stood on a platform of an in/out referendum of the type that is being suggested today. We must question how democratic it would be if we were to vote tonight for a policy that very few of us stood on in the last general election.

The motion is about leaving the EU, or changing our relationship with it in such a way that we would effectively no longer be part of it. My reasons for opposing it are simple, and some of them have already been stated. First, there is the powerful argument that the EU has been a defender and supporter of security and peace in Europe since it was established. If Britain were to withdraw from the EU, it would bring into question the EU's whole raison d'être, and I do not want us to return to a Europe of instability and, ultimately, conflict between member states. We have been lucky over the past 70 years, but for many centuries Europe was riven by all sorts of terrible warfare, and we do not want to see that return.

Much more immediately, I support colleagues on the Labour Benches, and some on the Government Benches, who have pointed out that there would be a real danger to our economy, because there would be a danger to the European economy, if we were to begin negotiations over the next 18 months on Britain withdrawing from Europe or renegotiating our relationship in such a way that we would no longer be recognisable as part of the EU.

I have noticed this evening that the view put forward by the Eurosceptics seems to be that their ideal relationship with the EU would be something like that of Norway and Switzerland. Leaving aside the fact that there is no suggestion anywhere of that being a realistic option to put on the negotiating table, as has been said, everything that Norway and Switzerland do in the economic field is affected by the decisions of the EU. As part of their agreements they are required to accept most European legislation. Where relevant, they have to accept the decisions of the European Court, and where they are not bound to accept EU legislation, they are certainly heavily influenced by it. The difference between those countries and us is that we would not have any voice, because we would not have representation in Europe either in the democratic institutions such as the European Parliament, in the European Council or elsewhere.

I believe that we need Britain to play a stronger role in Europe, and I want our Government to take an active role to defend our interests in Europe. I hope that one good thing, at least, will come out of tonight's debate, and that some of the politicians who have played with a Eurosceptic position over the years as a way of trying to win votes might recognise that they have played with fire and are responsible for the consequences of their action tonight, which is the rebellion by Tory Back Benchers. I hope that there will now be a more positive approach to Europe—criticism, yes, but at the same time let us recognise its benefits to our country. Let us ensure that we work in Europe to make it succeed, rather than go down a road that would lead to an economic downturn for this country and economic damage to Europe as a whole.

9.24 pm

Nick Boles (Grantham and Stamford) (Con): I have listened with great attention to all of the speeches for the past five hours, with the occasional break to take in and then expel a little liquid. I can tell the House that the passion and the idealism, and even the personal courage, has all been on one side of the debate—the side of those who support the motion.

I agree with much that those hon. Ladies and hon. Gentlemen on both sides of the House believe and want. I agree with them that Governments of all stripes have given too much power to the EU; that we need to renegotiate the terms of our membership, so that it focuses more on economic matters of trade and co-operation, and less on other issues that Europe was not set up to deal with; and that the British people should have the final say.

However, I will not vote with them tonight for the following reason. Although they have the passion, the idealism and the personal courage, I am afraid that they lack good sense. There will be only one time in the foreseeable future when we can hold a referendum on our membership of the EU—it has been 40 years since the last one, and we are likely to get only one shot in the next 40—and we must use it well. We must hold that referendum when it is most likely to assist us in getting the deal from Europe that we want.

Andrew Percy: I can predict exactly what will happen. If we propose a referendum at a time of economic growth, everyone will say, "Now is not the time to have a referendum, because everything is going so swimmingly."

Nick Boles: I thank my hon. Friend, but that was not my point. My point on timing is simply this: we need the promise—or, indeed, the threat—of that referendum to persuade our European partners to give us some of what we want in that negotiation.

Richard Drax: Will my hon. Friend give way?

Nick Boles: I will not give way again yet.

If an imminent referendum hangs over that negotiation, the Prime Minister has a hand to play. He can say, "If you don't give me the concessions I need, and if you don't meet the demands of the British people, I will not be able to win that referendum, and you will lose one of the biggest members of the EU for ever." However, if we have the referendum now, we will entirely waste the whole exercise. If we have a referendum in the next three years, before we have completed that renegotiation, and on a muddled question with three options, we will entirely forfeit our best negotiating tool.

Mark Pritchard: I commend my hon. Friend for his consistency, and although I do not agree with him, I respect him for his convictions. Will he tell the House what timetable he envisages for a referendum? Would it be in this Parliament or the next one?

Nick Boles: I thank my hon. Friend for that intervention, not least because he brings me to the conclusion that I probably would otherwise have forgotten. He asks exactly the right question, but I do not have news that will cheer up Conservative Members.

The first step before we start that renegotiation is, I am afraid, achieving a majority Conservative Government. We cannot start a renegotiation of our entire membership of the EU when the Government speak with two voices. We need a unified position, and we do not have it now, which I regret. I fought like all Conservatives for a majority Government, but we did not get it.

Several hon. Members *rose—*

Nick Boles: I will not be giving way again.

The second step is to start a renegotiation, which will probably take two or three years. We can promise that referendum in about year four of the next Parliament, after the Conservatives have won a majority. We might then get the Europe we want.

If we do what those brave hon. Ladies and hon. Gentlemen want us to do, we will waste our chance and get no clear answer to that referendum question. We might find ourselves in an unreformed and unreformable EU for the rest of my lifetime. I am not willing to risk that, which is why I will vote against the motion.

9.29 pm

Martin Vickers (Cleethorpes) (Con): Many Members have referred to the part that they played in the 1975 referendum, and sadly I am one of those who is old enough to have participated. It is interesting to note that that referendum followed a renegotiation of our terms with the Common Market, as it then was, and the question put to the electorate was: "Do we stay in or do we leave?" I voted to leave, and I am pleased that I did so, because I have been consistent throughout. On my selection as a candidate and on the doorstep during the election, I said consistently that I had voted no and that I had not changed my mind, and that the Government position was one thing but mine was another. I am not prepared to break that bond of trust with the electorate.

It has been mentioned that the electorate are becoming disconnected. To a great fanfare of trumpets, the Government introduced the e-petition system, but within weeks they have destroyed the public's confidence in it. It was as certain as night following day that a motion for an in/out referendum would result from an e-petition, but what have the Government done? They have cast it aside. There have been other distractions. We have been told that it is only eighth or 10th on the list of people's concerns. This time last year, we were ploughing ahead with legislation on the alternative vote referendum. On the No. 45 from Cleethorpes to Immingham, people were not demanding a referendum on AV, but we allowed ourselves to be distracted.

I am pleased that my Member of Parliament, the hon. Member for Great Grimsby (Austin Mitchell), is in his place, because he will know that the scars run deep in our part of the world following the destruction of the fishing industry which resulted from the sacrifice made at the negotiations to enter the Common Market in the first place.

Jim Shannon: Is the hon. Gentleman aware of the national opinion poll today showing that 81% of those who voted Conservative, 62% of those who voted for the Liberal Democrats and 61% of those who voted Labour would vote for the motion? We ignore the electorate and national opinion polls at our peril.

Martin Vickers: I agree entirely with the hon. Gentleman: the Government and the Opposition parties ignore the electorate's view on this at their peril. We must consider the real people of England, as I like to call them. Yesterday I was at a civic service for a town mayor in Barton-upon-Humber. Members on both sides will have been to these occasions. The real people, those who run our community groups and churches—they are the big society—feel very deeply about this but think that they are being ignored and cast aside. Unless the Government come to terms with that in the near future, they will pay a high price.

I said earlier this year in the debate on votes for prisoners that all Governments take decisions that they know to be against the overwhelming views of those they represent. If they continue to refuse to grant the people a referendum, it will become one of those issues. In fact, it would be something more: it would take away two of their lives. The electorate are disillusioned and cynical about the body politic and the whole political process. If we deny them this opportunity again, the cynicism and disillusionment will grow. I am proud to say that I shall be supporting the motion this evening, and I urge all Members to do so.

9.33 pm

Mr James Clappison (Hertsmere) (Con): This has been a good debate with some outstanding speeches, particularly from my hon. Friends the Members for Gravesham (Mr Holloway) and for Peterborough (Mr Jackson). There have been timing issues during the debate. I have to say to my hon. Friend the Member for Grantham and Stamford (Nick Boles) that to keep saying, "Now is not the right time", is likely to engender frustration in the other member of the relationship. I believe that a referendum is long overdue. It has been a long time—1975—since we had a referendum. The world is a different place and the EU is certainly a different institution from what it was when we knew it as the Common Market.

There were a few lonely voices in that referendum campaign who said that Europe was a political project and not just an economic project. Others might take a different view, but I think that those who said that have been proved right in spades. The other case made in that referendum campaign has been comprehensively disproved by subsequent events. As the European Union has changed incrementally, granting more powers and competences to itself through successive treaties—the Single European Act, the treaty of Nice, the treaty of Maastricht, the treaty of Amsterdam and the treaty of Lisbon—it has changed beyond recognition.

We were right to offer the electorate a referendum on the treaty of Lisbon. Again on the timing, my right hon. Friend the Prime Minister made that commitment to hold a referendum until that treaty had been ratified and stayed absolutely true to its terms. His commitment meant that if a Conservative Government had come to power at any point before 3 o'clock on 3 November 2009, amidst all the events taking place in 2008 and 2009, we would have been obliged to hold a referendum. I am sure that my right hon. Friend would have stayed true to that commitment and held a referendum, but now the electorate feel that they have been promised a referendum many times. There has been no shortage of promises, and many electorates in other countries have been allowed to hold a referendum, but not the British electorate.

People today are waiting to have their say on the European Union. We have made our arguments about the European Union in this debate, and we have heard some arguments in favour of it from Opposition Members. Let them put those issues to the people and trust them to make the decision. We cannot be wrong to trust the people: that is why we are having these Back-Bench business debates. This is an excellent example of what can be achieved through such debates. We should send out the message in this debate that we are prepared to trust our constituents, who are the ones who sent us here.

Now is the right time. We have seen much power transferred to the European Union. We need to free ourselves from the dead hand of European Union regulation to give ourselves a chance of achieving the higher growth rates achieved by non-members of the European Union and give our industry a chance. All that makes this an ideal time to have a referendum and set out the terms of that referendum. I say to my right hon. and hon. Friends and to other Government Members that if we keep making these promises to the electorate and not fulfilling them, we will pay a heavy price in lost trust with that electorate. We have to remember that today.

9.37 pm

Mr Sam Gyimah (East Surrey) (Con): I have listened to the debate for the past five hours, and it is clear that we on the Conservative Benches are all Eurosceptics now. I speak in this debate as a Eurosceptic, and I could not put the case against the EU better than some of my colleagues have. However, I will be voting against the motion, because I believe that anger and frustration are not enough to form our considerations; we need a clear-sighted, clear-eyed strategy to move forward.

Let me mention some of the considerations that we need to take. My hon. Friend the Member for Harwich and North Essex (Mr Jenkin) said—I paraphrase, probably poorly, in which case I am sorry—that we need to hold the Government's feet to the fire to ensure that something is done. However, we must remember that to lead the country on this issue we need to be a united rather than a divided party. In 2010, just 13% of voters described the Conservative party as divided, but at the height of the Maastricht rebellion 50% described us as divided. We can all stand for our principles and say that this is only about our consciences—or, as my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg) said, that nothing is more important, including the coalition—but we need to remember that in the reality of the political world, if we want to achieve something we have to balance those factors. We know from the 1997 election result that we need to be mindful of that.

Why do I raise that point? Because when we were kicked out of office for being divided, we suffered the greatest setback in the European project. During those 13 years, the Labour Government opted into the social chapter, which was responsible for a lot of the regulations that have suffocated business and stifled growth, and in 2007 the Labour Government signed the Lisbon treaty. For all our high-minded principle in the mid-1990s, when we got kicked out of government because of division we set back our own project.

Zac Goldsmith: My hon. Friend is speaking as though this were a Conservative party issue, but we can see from the debate today that it is a cross-party issue. The question that we face today is: do we trust the people to make this decision or not? The pros and cons of Europe can be discussed later.

Mr Gyimah: I thank my hon. Friend for that. I am not speaking as though this were a Conservative party issue, but we can see that the media, in every interview, have pitted Conservative against Conservative. We need to be careful about divisions on our side.

Of course people need to decide, but we should be careful not to jump from responding to an e-petition that has been signed by a number of people to assuming that this issue is on every voter's mind. A number of voters will talk about the fact that they care about their jobs. A number will say that they want their streets to be secure. Others will say that they want their children to have a better life than their own. National polls show that when the issue of Europe is considered on its own, everyone is hostile to it, but in general elections, its salience disappears. We need to adopt a very clear-eyed strategy in dealing with this.

I will not be supporting the motion. It should be clear from the debate today, especially to those who are saying that we would be better off out, that, with the eurozone on its knees, we now have the best opportunity to negotiate the best conditions for Britain. It would be catastrophic for us to walk away from the EU, as my hon. Friend the Member for Kettering (Mr Hollobone) suggested, as that would result in our giving up influence.

9.41 pm

Mark Reckless (Rochester and Strood) (Con): I am sure that the constituents of East Surrey will have followed the speech made by my hon. Friend the Member for East Surrey (Mr Gyimah) with great interest this evening.

[Mark Reckless]

In the 1975 referendum, the country was assured—by a Conservative Prime Minister, I am afraid—that there was no question of any erosion of national sovereignty. The people were told that we would have a veto over any important issue, yet those same people have now seen that what they were told was a common market has become a political union in which we can be outvoted, whether we like it or not. They see other countries not following the rules when our country does follow them, and they see an institution whose accounts have not been signed off for some 20 years, yet we continue to give it money year after year. In the coming year, we are giving the European Union £10.9 billion. That is the net contribution, taking account of what we get back. Indeed, in every year except one, we have given more money to the EU than we have got back. That one year was 1974, the year before we last had a referendum on this matter. That was the only year in which we received more money from the EU than we gave. Members who have yet to make up their mind might like to reflect, in the light of that £10.9 billion, that when putting pressure on the EU to reduce our budget contribution, nothing would concentrate its mind more than the knowledge that this country might hold a referendum on our membership of the EU.

There now has to be a referendum. The people have heard too many promises, made by too many parties over too many years. They now want to decide for themselves what our future in Europe, or as an independent country, might be. There has been significant movement on this side of the House during today's debate. My hon. Friend the Member for Keighley (Kris Hopkins) asked why we were having this discussion, 18 months into the Parliament, and why there was so much disagreement. He wondered why the coalition did not agree on this matter. The reason is that the 57 Liberal Democrat coalition Members were given the referendum on the alternative vote that they wanted, yet a far larger number on the Conservative Benches have not been given the referendum that we want on our country's position in the EU.

Martin Horwood: We have discussed this already. The Conservative manifesto did not make a commitment to an in/out referendum; it committed to a referendum lock, which we have achieved through the European Union Act 2011.

Mark Reckless: The Conservative party had offered a referendum on Lisbon. The Liberal Democrats had offered a referendum with a choice between the EU with Lisbon and leaving the EU. However, what the country got, through the coalition agreement, was the Lisbon treaty and no referendum on anything. Three or four days ago, the Liberal Democrats' website was still campaigning for an in/out referendum, but that has now been removed. Not only have they gone against what they told the electorate on student fees, but they have done the same on Europe.

Sheryll Murray: I voted in the last referendum in 1974. It was the first time I had—*[Interruption.]* The question was whether we wanted to stay in the European economic area. We have never had a referendum on whether we want to be members of the European Union.

Mark Reckless: My hon. Friend is quite right. We have the opportunity this evening to give our constituents that referendum—to decide whether they want to be governed by people whom they elect, whom they can hold to account, whom they can throw out if they do not agree with how we vote, whether we make the decisions for them, or whether instead a qualified majority of 26 other countries will decide what the law of this country should be while we pay £10.9 billion a year for the privilege. That is the decision. It is no longer a decision that we can hope to keep within this Westminster bubble, without our constituents having their say. Sooner or later, that decision is going to be made.

We heard earlier that there was going to be a referendum and that a Conservative-led or a coalition Government of some stripe would renegotiate sooner rather than later. The Prime Minister and the Foreign Secretary told us that they were going to bring back powers over social and employment policy, but what is key now is whether our constituents will get to vote on the outcome. Do they want to stay in with whatever improvements we have been able to negotiate, however great or otherwise they might be, or do they want to come out and be an independent country, trading with Europe but governing ourselves? I say to Members, particularly those who are undecided, that that decision must now be our constituents' decision. That is the way in which we will restore belief and trust in politics.

9.46 pm

Mr Aidan Burley (Cannock Chase) (Con): I support the principle of having an EU referendum, yet I will not support the motion. Let me explain why those two positions are not contradictory.

I am on record as saying that our membership of the EU should be put to the British people. I am 32, and I find it incredible that the last referendum took place four years before I was even born. One has to be 55 to have voted in it. It is therefore understandable that people of my generation do not feel that they have had their say on Europe. They see the EU interfering in our everyday lives, from how fruit and vegetables are packaged, to the number of announcements on trains and, most insidious of all, how long we are allowed to work in our jobs—for just 48 hours a week. *[Interruption.]* It is clear to me that what was put to the people in 1975—*[Interruption.]*

Mr Speaker: Order. The House must come to order. The hon. Gentleman has been waiting courteously; he deserves a proper hearing, and that is what he must get.

Mr Burley: Thank you, Mr Speaker.

It is clear that what was put to the people in 1975—we should remember that they voted yes—was the Common Market, but the European Union that exists today would be unrecognisable to those who voted then. When Britain joined the Common Market, it signed up to a free trade agreement. Since then, the power of European institutions has changed beyond all recognition. I am delighted that the Government have enshrined in law that a referendum must be held before any further powers are ceded to Brussels. This is a major step—one that I have supported with enthusiasm.

Frankly, given the EU's propensities for creating new treaties, I suspect it will not be long before the people get the vote that they desire and deserve. That vote will be important. If the public vote in favour of a future treaty, it will rule out for another generation any thought of us ever leaving the EU. If the public vote to reject it, I believe it would be difficult, if not impossible, for there not to be a subsequent vote on our withdrawal. Given that the referendum that I want is inevitable, as a result of the laws passed by the Conservatives, I must think carefully about the current motion and its impact on the people of Cannock Chase.

Andrew Percy: I respect my hon. Friend's views. Like him, I was born after the last referendum on the matter, but the problem with his argument is that it does not give us the opportunity to have a say on whether we want to be in the EU. That is what my and his generation want to have. We have never been asked that before, and it is about time that we were.

Mr Burley: I think that our generation will be given that choice.

I must consider the impact that passing this motion would have on my constituents. That is the key point. Business men have told me that there are signs that give cause for optimism, but that the recovery is fragile.

Andrea Leadsom (South Northamptonshire) (Con): Will my hon. Friend give way?

Mr Burley: No, I will not.

Those business men's fear, and mine, is that the announcement of a referendum, involving the campaign extending to 2013 for which the motion calls, could have a devastating effect on business confidence and investment. This morning I spoke to a business man from my constituency who had come here to be given a tour of the House of Commons. He works for an international company in the private sector which has invested heavily in the United Kingdom and employs several hundred people in my constituency, and he has already been told by the members of his executive board in America that the potential further instability caused by a referendum could cause them to question future investment not just in Cannock Chase, but in the United Kingdom and the whole of Europe.

Andrea Leadsom: Will my hon. Friend give way?

Mr Burley: I will not.

At a time when business is crying out for stability, a referendum would move it in totally the opposite direction, creating yet more instability when what we need is foreign investment. While that business man would not oppose a referendum in principle, now is simply not the time for one.

I think that the referendum that we all want is coming, and will be a result of the policies that have already been backed by the Government and by the EU itself. However, I think that to hold that referendum now, regardless of the result, would create a significant risk for our economy and for Cannock Chase in particular. I say to every Member who supports the motion, "Ask yourself one question: are you willing to jeopardise the recovery?" *[Interruption.]*

British people are worried—*[Interruption.]* Mr Speaker, British people are worried about bread-and-butter issues. They are worried about jobs and about their livelihoods. I do not want to do anything that puts my constituents' livelihoods at risk. The time will come for people to vote on whether we stay in the EU, but, in my opinion, that time is not today. This is a debate for another day. Voting for the motion would be an indulgence, and I hope Members will vote accordingly. *[Interruption.]*

Several hon. Members *rose—*

Mr Speaker: Order. The House must come to order. It will want to hear Mr Christopher Chope.

9.52 pm

Mr Christopher Chope (Christchurch) (Con): In essence, the debate is about whether we are representatives of the people, or delegates of the Government or the shadow Government. I think that those who have argued today in support of our being representatives of the people have won the debate—a debate in which I am proud to have been able to participate, having sat here for the best part of five and a half hours.

This time last night I was at a polling station in Tunisia, observing the election results. People were queuing for more than three hours just to exercise their right to vote. It is vital that, in Tunisia and in this country, the people do not elect representatives and then find that those representatives go back on their word. There is a certain worry in Tunisia that that may happen in the case of the party with the most votes. I believe, however, that in this country participation in elections has been plummeting because on too many occasions we have promised something to the electorate and then let them down.

I do not think that we should hold a referendum until we have had a chance to conduct a proper evaluation of the costs and benefits of our membership of the European Union. In the last Parliament I tabled a Bill to achieve just that, which was supported by both the Conservative and Liberal Democrat Front Benches. Now neither of those Front Benches supports the idea of such an audit. Why not? I think that that is indicative of the present cynicism about the issue of Europe.

As for timing, many people have forgotten that the forthcoming seven-year budget presents us with a great opportunity. Once every seven years, we have a veto over the EU budget. I think it a pity that the Foreign Secretary effectively indicated today that he was satisfied that we would be doing very well if the next seven-year budget contained only an increase in line with inflation. We are telling local authorities and people working for Governments that they must make real-terms cuts. Why are the Government selling us short by not entering into those negotiations in a much more hard-headed way? If we pass this motion, or give it a tremendous amount of support, it will strengthen the Government's hand in their efforts to secure a better deal and negotiate a reduction in our contribution to the EU budget, rather than a real-terms increase. The Government have fallen short of their responsibilities to the people on too many occasions, and the message coming from the House tonight is that the Government must listen and the EU

[Mr Christopher Chope]

must listen and we, the people, must press the point home that we want a referendum. We want to trust the people.

9.55 pm

Mr Peter Bone (Wellingborough) (Con): It is customary when summing up to say, "This has been a good debate," but this has been an amazing debate. We must thank the hon. Member for North East Derbyshire (Natascha Engel) and the Backbench Business Committee for putting it on, and we must also thank my hon. Friend the Member for Bury North (Mr Nuttall) for having opened it so sensibly so many hours ago. I have sat and listened to most of the debate, but as there were 52 speeches, I must apologise to the majority of contributors because I will not be able to respond to what they said.

Let me say at the beginning, however, that I must praise the Prime Minister. If it were not for him, we would not have the Backbench Business Committee. If it were not for him, we would not have petitions either, and it is the petitioning of this House of Commons that has brought this debate into being. I also thank the Prime Minister for his speech on 26 May 2009, when he encouraged returning power to the people. He said that in the past when debates were held in this House, the arguments went one way and the other, but then the bells rang and the Whips got into action and Members floated through the Commons like a herd of sheep. That is not going to happen tonight. I am going to take the advice of my Prime Minister when he encouraged every Member to be independent-minded, to put his constituents first, to put his country first, and to put narrow party interests last. I say, "Well done, Prime Minister," and I will be voting in accordance with my conscience tonight.

It is unfortunate that some of the Whips have not quite got the Prime Minister's message yet, but there is a rule of thumb in this House: if the three Front Benches agree on something, it is absolutely wrong. That is the situation tonight.

I say to my Whips that a mistake has been made tonight. The Backbench Business Committee was set up to test the will of Parliament, not in order for us to vote on party lines. This is exactly the sort of debate on which we should have a free vote. I am of the opinion that if there had been a free vote tonight, this motion would have been carried.

Lights have started flashing, instructing me to shut up early, although I thought I could go on for a little longer. I am afraid I must apologise to all 52 members who contributed for not having had time to comment on their speeches, but I will write to them.

Question put.

The House proceeded to a Division.

Mr David Winnick (Walsall North) (Lab): On a point of order, Mr Speaker. Is there any reason why the vote is being delayed?

Mr Speaker: The Tellers are in. I say to the hon. Gentleman, who has been here a long time—*[Interruption.]* I do not know why people are referring to three-figure numbers; the hon. Gentleman has not been here that long. His patience will be rewarded. He does not have long to wait and must calm himself. I like to see him in a state of permanent calm. That is my ambition.

The House having divided: Ayes 111, Noes 483.

Division No. 372] **[9.59 pm**

AYES

Andrew, Stuart
Baker, Steve
Baron, Mr John
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Brady, Mr Graham
Bridgen, Andrew
Brine, Mr Steve
Bruce, Fiona
Byles, Dan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Carswell, Mr Douglas
Cash, Mr William
Chope, Mr Christopher
Clappison, Mr James
Cooper, Rosie
Corbyn, Jeremy
Crouch, Tracey
Cruddas, Jon
Cryer, John
Davidson, Mr Ian
Davies, David T. C. *(Monmouth)*
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Dorries, Nadine
Drax, Richard
Engel, Natascha
Field, rh Mr Frank
Field, Mr Mark
Fullbrook, Lorraine
Godsiff, Mr Roger
Goldsmith, Zac
Gray, Mr James
Heaton-Harris, Chris
Henderson, Gordon
Hermon, Lady
Hoey, Kate
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kelvin
Jackson, Mr Stewart
Jenkin, Mr Bernard
Jones, Mr Marcus
Kelly, Chris
Leadsom, Andrea
Lefroy, Jeremy
Leigh, Mr Edward
Lewis, Dr Julian
Lucas, Caroline
Lumley, Karen
Main, Mrs Anne
McCabe, Steve
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McDonnell, John
McPartland, Stephen
Mercer, Patrick
Mills, Nigel
Mitchell, Austin
Morris, Anne Marie
Morris, James
Mosley, Stephen
Murray, Sheryll
Nokes, Caroline
Nuttall, Mr David
Offord, Mr Matthew
Paisley, Ian
Parish, Neil
Patel, Priti
Percy, Andrew
Pritchard, Mark
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Robertson, Mr Laurence
Rosindell, Andrew
Sanders, Mr Adrian
Shannon, Jim
Shepherd, Mr Richard
Simpson, David
Skinner, Mr Dennis
Smith, rh Mr Andrew
Smith, Henry
Stevenson, John
Stewart, Bob
Stewart, Iain
Streeter, Mr Gary
Stringer, Graham
Stuart, Ms Gisela
Sturdy, Julian
Tapsell, rh Sir Peter
Tomlinson, Justin
Turner, Mr Andrew
Vickers, Martin
Walker, Mr Charles
Walker, Mr Robin
Weatherley, Mike
Wheeler, Heather
Whittaker, Craig
Whittingdale, Mr John
Wilson, Sammy
Wollaston, Dr Sarah
Wood, Mike

Tellers for the Ayes:
Mr Peter Bone and
Mr Philip Hollobone

NOES

Abbott, Ms Diane
Abrahams, Debbie
Adams, Nigel
Ainsworth, rh Mr Bob
Aldous, Peter
Alexander, rh Danny

Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Arbuthnot, rh Mr James
Ashworth, Jonathan
Bacon, Mr Richard
Bailey, Mr Adrian
Bain, Mr William
Baker, Norman
Baldry, Tony
Baldwin, Harriett
Balls, rh Ed
Banks, Gordon
Barclay, Stephen
Barker, Gregory
Barron, rh Mr Kevin
Barwell, Gavin
Bebb, Guto
Beckett, rh Margaret
Begg, Dame Anne
Beith, rh Sir Alan
Bell, Sir Stuart
Bellingham, Mr Henry
Benn, rh Hilary
Benton, Mr Joe
Benyon, Richard
Beresford, Sir Paul
Berger, Luciana
Berry, Jake
Betts, Mr Clive
Blackman-Woods, Roberta
Blackwood, Nicola
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Blunt, Mr Crispin
Boles, Nick
Bottomley, Sir Peter
Bradley, Karen
Bradshaw, rh Mr Ben
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brokenshire, James
Brooke, Annette
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Browne, Mr Jeremy
Bruce, rh Malcolm
Bryant, Chris
Buck, Ms Karen
Buckland, Mr Robert
Burden, Richard
Burley, Mr Aidan
Burnham, rh Andy
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byrne, rh Mr Liam
Cable, rh Vince
Cairns, Alun
Cameron, rh Mr David
Campbell, Mr Alan
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Caton, Martin
Chapman, Mrs Jenny
Chishti, Rehman
Clark, rh Greg
Clarke, rh Mr Kenneth
Clarke, rh Mr Tom
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Connarty, Michael
Cooper, rh Yvette
Cox, Mr Geoffrey
Crabb, Stephen
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Crockart, Mike
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
Davey, Mr Edward
David, Mr Wayne
Davies, Geraint
Davies, Glyn
De Piero, Gloria
Denham, rh Mr John
Djanogly, Mr Jonathan
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dorrell, rh Mr Stephen
Dowd, Jim
Doyle, Gemma
Doyle-Price, Jackie
Dromey, Jack
Duddridge, James
Dugher, Michael
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellis, Michael
Ellison, Jane
Ellman, Mrs Louise
Ellwood, Mr Tobias
Elphicke, Charlie
Esterson, Bill
Evans, Chris
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farrelly, Paul
Farron, Tim
Featherstone, Lynne
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Fox, rh Dr Liam
Francis, Dr Hywel
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fuller, Richard
Gapes, Mike
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Gilmore, Sheila
Glass, Pat
Glen, John
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Greatrex, Tom
Green, Damian
Green, Kate
Greening, Justine
Greenwood, Lilian
Grieve, rh Mr Dominic
Griffith, Nia
Griffiths, Andrew
Gummer, Ben
Gwynne, Andrew
Gyimah, Mr Sam
Hain, rh Mr Peter
Halfon, Robert
Hames, Duncan
Hamilton, Mr David
Hamilton, Fabian
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hanson, rh Mr David
Harman, rh Ms Harriet
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Havard, Mr Dai
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Hemming, John
Hendrick, Mark
Hendry, Charles
Hepburn, Mr Stephen
Herbert, rh Nick
Heyes, David
Hillier, Meg
Hilling, Julie
Hinds, Damian
Hoban, Mr Mark
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kris
Horwood, Martin
Howarth, rh Mr George
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunt, Tristram
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Irranca-Davies, Huw
Jackson, Glenda
James, Margot
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Javid, Sajid
Johnson, Diana
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Kawczynski, Daniel
Keeley, Barbara
Kendall, Liz
Kennedy, rh Mr Charles
Khan, rh Sadiq
Kirby, Simon
Knight, rh Mr Greg
Laing, Mrs Eleanor
Lamb, Norman
Lammy, rh Mr David
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Lavery, Ian
Laws, rh Mr David
Lazarowicz, Mark
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Leslie, Charlotte
Leslie, Chris
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Mr Ivan
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Love, Mr Andrew
Lucas, Ian
Luff, Peter
Macleod, Mary
MacShane, rh Mr Denis
Mactaggart, Fiona

Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, Dr Alasdair
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McIntosh, Miss Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
McLoughlin, rh Mr Patrick
McVey, Esther
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Menzies, Mark
Metcalfe, Stephen
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Miller, Maria
Milton, Anne
Mitchell, rh Mr Andrew
Moon, Mrs Madeleine
Mordaunt, Penny
Morden, Jessica
Morgan, Nicky
Morrice, Graeme *(Livingston)*
Morris, David
Morris, Grahame M. *(Easington)*
Mowat, David
Mudie, Mr George
Mundell, rh David
Munt, Tessa
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Murrison, Dr Andrew
Nandy, Lisa
Nash, Pamela
Neill, Robert
Newmark, Mr Brooks
Norman, Jesse
O'Brien, Mr Stephen
O'Donnell, Fiona
Ollerenshaw, Eric
Onwurah, Chi
Opperman, Guy
Osborne, rh Mr George
Osborne, Sandra
Ottaway, Richard
Owen, Albert
Paice, rh Mr James
Paterson, rh Mr Owen
Pawsey, Mark
Pearce, Teresa
Penrose, John
Perkins, Toby
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pound, Stephen
Prisk, Mr Mark
Qureshi, Yasmin
Randall, rh Mr John
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reid, Mr Alan
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Robathan, rh Mr Andrew
Robertson, Hugh
Robinson, Mr Geoffrey
Rogerson, Dan
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Rudd, Amber
Ruddock, rh Joan
Ruffley, Mr David
Russell, Bob
Rutley, David
Sandys, Laura
Sarwar, Anas
Scott, Mr Lee
Seabeck, Alison
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Sharma, Mr Virendra
Sheerman, Mr Barry
Shelbrooke, Alec
Sheridan, Jim
Shuker, Gavin
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Slaughter, Mr Andy
Smith, Angela
Smith, Miss Chloe
Smith, Julian
Smith, Nick
Smith, Owen
Smith, Sir Robert
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Stanley, rh Sir John
Stephenson, Andrew
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tami, Mark
Teather, Sarah
Thomas, Mr Gareth
Thornberry, Emily
Thurso, John
Timms, rh Stephen
Timpson, Mr Edward
Tredinnick, David
Trickett, Jon
Truss, Elizabeth
Turner, Karl
Twigg, Derek
Twigg, Stephen
Tyrie, Mr Andrew
Umunna, Mr Chuka
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vaz, Valerie
Villiers, rh Mrs Theresa
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Watson, Mr Tom
Watts, Mr Dave
Weatherley, Mike
Webb, Steve
Wharton, James
White, Chris
Whitehead, Dr Alan
Wicks, rh Malcolm
Wiggin, Bill
Willetts, rh Mr David
Williams, Hywel
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Chris
Williamson, Gavin
Willott, Jenny
Wilson, Phil
Wilson, Mr Rob
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Philip Dunne and Greg Hands

Question accordingly negatived.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

Financial Services and Markets

That the draft Financial Services and Markets Act 2000 (Exemption) (Amendment No. 2) Order 2011, which was laid before this House on 5 September, be approved.—*(Angela Watkinson.)*

Question agreed to.

COMMITTEES

Mr Speaker: With the leave of the House, I propose to take motions 3 to 8, all six of them, together. The motions are in the name of the Chair of the Committee of Selection.

Ordered,

Business, Innovation and Skills

That Dan Jarvis and Ian Murray be discharged from the Business, Innovation and Skills Committee and Julie Elliott and Ann McKechin be added.

Culture, Media and Sport

That Cathy Jamieson be discharged from the Culture, Media and Sport Committee and Steve Rotheram be added.

Defence

That Mr Mike Hancock be discharged from the Defence Committee and Bob Russell be added.

Health

That Yvonne Fovargue be discharged from the Health Committee and Barbara Keeley be added.

NORTHERN IRELAND AFFAIRS

That Ian Lavery be discharged from the Northern Ireland Affairs Committee and Mr David Anderson be added.

PUBLIC ACCOUNTS

That Stella Creasy and Mrs Anne McGuire be discharged from the Committee of Public Accounts and Meg Hillier and Fiona Mactaggart be added.—*(Mr Mark Francois, on behalf of the Committee of Selection.)*

Mr Speaker: We come now to the Adjournment. Just before I call the hon. Member for South Thanet (Laura Sandys), may I appeal to Members who are leaving the Chamber to do so quickly and quietly, affording the same courtesy to the hon. Lady that they would wish to be extended to them in similar circumstances?

Live Animal Exports (Port of Ramsgate)

Motion made, and Question proposed, That this House do now adjourn.—*(Angela Watkinson.)*

10.20 pm

Laura Sandys (South Thanet) (Con): Thank you very much, Mr Speaker.

First, I should like to make a great apology to the Minister, whom I seem to keep up regularly at this time of night—on matters DEFRA.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): And his Parliamentary Private Secretary!

Laura Sandys: Great apologies to his PPS as well.

Given the theme of the motion on which we have just voted—the European Union and the barriers that it sometimes puts up to our cultural and historical norms—I want to raise the issue of live animal exports leaving the port of Ramsgate.

We are a nation of animal lovers, and we maintain and have always maintained the highest standards of animal welfare. Indeed, as I am sure the Minister knows, we passed our first piece of animal welfare legislation almost 400 years ago, so is it not rather surprising that sheep and two-week-old calves are driven from as far away as southern Ireland, across the Irish sea to Ramsgate, across the channel and then as far as Greece? Should we in this country endorse such transport and trade?

Tens of thousands of animals have arrived at Ramsgate this year to be put on a Soviet ship—a roll-on/roll-off ferry that was designed for river and inland water transport. On to the boat they go in their trucks, with water spraying and in gales of up to force 6. The longest estimated channel crossing is five hours due to very adverse weather conditions. Those journeys are inhumane.

The Minister knows that the trade is deeply undesirable, but on these issues we are not in control of our destiny, because we are controlled by the EU, which views animals as goods rather than as sentient beings. This is not a new issue, however, because the stalemate was experienced under the previous Government. For 13 years, we had little or no progress on ensuring that we improved animal welfare and, in particular, transportation.

I should like to draw the Minister's attention to the fact that residents from all over Kent, including the Thanet Against Live Exports and Kent Against Live Exports groups and many individuals have written to me. I have received four times as much correspondence on this issue as I have on the EU referendum.

This debate is particularly important given the timely review of the EU's regulation on the transportation of live exports so I should like the Minister to outline what the Government will submit in response to the review, and I urge him also to take the evidence that my residents have gathered and to include it in our submission in order to show what really happens at the coal face of this trade.

We must revisit the number of hours an animal can be transported without lairage. Fourteen hours for sheep is too long, and a one-hour stopover is not long enough. Calves that are only 14 days old are taken half way across Europe on land and sea. That is an ordeal.

[Laura Sandys]

I commend the Government for aggressively pressing for revised labelling of meat products. Meat will have to show the country of origin, not just the country of slaughter, which in previous years has allowed much of our British beef to be designated as French, Spanish or Greek when the animals were born and bred in the UK or Ireland. Greater transparency will give European consumers the choice of whether to endorse live exports.

There is additional good news. The live export trade has diminished significantly over the past 20 years from more than 300,000 animals a year to around 50,000. But that tells its own story. Reputable meat wholesalers transport animals to Europe not on the hoof, but as carcasses. Today we have abattoirs in the UK that butcher meat to meet the unique tastes of any part of Europe, and that poses a question. Who are the small number of people who transport live animals, and exploit EU single market legislation? Who are the individuals who believe that transporting live animals is humane and financially viable?

DEFRA has responsibility for issuing export health certificates, and is the competent authority that licenses those who transport animals. Enforcement, even of the existing regulations, is crucial, and I ask the Minister to take further action. As the licensing authority, DEFRA must do more investigations as soon as possible into whether the wholesaler or the owner of the Ramsgate ship, Joline, have any connections with business men who have already been convicted of animal cruelty? Has the Department made the necessary inquiries to find out whether someone who was prosecuted in Folkestone for six offences against animal welfare has any connection with the current trade out of Ramsgate?

Jim Shannon (Strangford) (DUP): The hon. Lady referred to the fact that sheep, cattle and young calves come from Ireland to the UK mainland and then cross over to Europe. Does she believe that DEFRA should contact the Irish Republic's Agriculture Minister to ensure that what the hon. Lady wants to be stopped in England is also stopped in the Republic of Ireland?

Laura Sandys: I welcome that intervention, and I totally agree. There should be an EU-wide regulation on the transport of animals, but it is incumbent on us to enforce our existing domestic regulations. I urge the Minister to examine the matter.

It is understood that a former trader who has had several prosecutions is located in the same offices in Amsterdam as the company that holds the licence to operate the Joline for animal transport from Ramsgate. Coincidences may occur, but that feels a bit too close for comfort. More worrying are several reports of the operator not complying with the regulations. For example, it has sailed in a force 7 gale when the boat is licensed only for force 6. It has not providedadequate protection for the animals, and there have been discrepancies in the time spent in transport.

This weekend, I was horrified tohear that at 9 pm on Friday, eight lorries turned up, but the ship is licensed for and can accommodate only seven lorries. The lorry drivers dismantled their cabs and drove to Dover to cross by ferry. The animals were loaded on to the ship without their drivers, who are responsible for their welfare. The ship did not leave the port until after 4 am. The animals then faced a four-hour trip across the channel taking them over the 11 hour regulated transport period. I understand that in addition, the ship was unable to dock at Calais for several hours because of the tides. The animals would then have had to be unloaded, and to leave Calais for a resting place.

The report indicated that the transporters of the animals—those with the lorry licences and the operators of the ship—contravened animal welfare regulations. I urge the Minister to ensure that the Department investigates such reports and that action is taken to revoke licences immediately while further evidence is gathered. We believe that these operators are, at best, cavalier with the regulations and, at worst, have little interest in animal welfare.

Action needs to be taken, and I hope for the Minister's commitment on these matters. I know that he and his Department, like me and the residents of Thanet, would like to end this trade. Yes, we might have to wait a while for it to be banned altogether, but we must stop any cruelty that is happening under the current regulations and ensure that our animal welfare enforcement is robust, including in the port of Ramsgate.

10.30 pm

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): Let me start by thanking and congratulating my hon. Friend the Member for South Thanet (Laura Sandys) on seeking this debate to raise an issue that is of great concern not only to her constituents and residents in the wider area of Thanet but to me and to my Department, and to many hon. Members on both sides of the House, some of whom I am pleased to see have stayed for the debate.

I emphasise that, as stated in the coalition agreement, this Government are committed to the highest standards of animal welfare, including their transport—how it is done and where it is done. Clearly, the Government would prefer animals to be slaughtered as near as possible to their point of production; and as far as breeding stock is concerned, we would like the trade to be only in meat or in germ plasm, because that is preferable to one based on live animals. That also has advantages in terms of animal welfare because it helps with our own domestic slaughter and in developing our own enterprise, business and industry. Moreover, as my hon. Friend rightly said, we now have all the butchery expertise to cater for whatever particular specifications overseas customers demand.

As my hon. Friend said, the previous Government recognised that such a trade in live animals is lawful provided that the safeguards laid down in the European Union and in our own national welfare-in-transport legislation are observed. Whatever we may think about this, the Government have to comply with our international obligations.

Naomi Long (Belfast East) (Alliance): Will the Minister give way?

Mr Paice: Very briefly.

Naomi Long: Would the Minister advocate the tightening of the international rules to allow for cross-border trade in the case of operators who neighbour a border—for

example, between the Republic of Ireland and Northern Ireland—with another slaughterhouse on the other side in order to avoid long, arduous journeys such as those described by the hon. Member for South Thanet (Laura Sandys)?

Mr Paice: I am grateful to the hon. Lady, and I will come to some of those points. Yes, there is a distinction between cases where there happens to be a border, but it is a few miles to an abattoir, and the sort of journey to which my hon. Friend has referred.

The safeguards that I mentioned include the need for all commercial transporters of animals to be authorised and for drivers to pass a competency test. Indeed, I passed one myself. For long journeys, vehicles must be inspected and approved by qualified engineers working for authorised private vehicle inspection bodies. Also, for long journeys, transporters must apply for a journey log for each journey that provides the details of the proposed route, and these applications are checked by the Animal Health and Veterinary Agency before they are approved. More importantly, the journey logs have to be updated by the transporter as the journey progresses and returned once the journey is completed, and we then check whether the actual journey was in line with the original application. If there were any variations, they need to be investigated to see whether they were consistent with the legislation.

There are many other safeguards in the transport legislation, such as the fitness-to-travel rules in terms of the animal itself and technical requirements on space allowances, ventilation, water, and so on. I want to emphasise that the commercial transport of animals on journeys of more than eight hours is highly regulated. On top of all the checks before and after a long journey, inspectors undertake risk-based checks on consignments, either when the animals are loaded at the point of departure or on arrival at the port of Ramsgate. They have powers on discovery of any infringement by individual transporters—that has happened a number of times—and that can lead to suspension or revocation of the transporter's authorisation to transport animals or the withdrawal of their vehicle approval certificate. I emphasise and, in effect, give a warning that all those engaged in this trade must ensure that they are fully in compliance with all the regulations, because we will continue to be as tough as possible on this trade. It has been the subject of a number of legal challenges over the years by local authorities and port authorities.

The trade in live animals to the continent for slaughter has fluctuated markedly, as my hon. Friend said. There have been periods, such as during the outbreaks of BSE, foot and mouth and, more recently, tuberculosis, when the trade has been halted or interrupted. As she rightly said, the scale has dramatically reduced, so its impact on the economics of the UK livestock sector is now minimal, if anything at all. The present trade is tiny at just a few tens of thousands of animals and certainly fewer than 50,000 so far this year.

The concept of free trade is enshrined in national legislation in the Harbours, Docks and Piers Clauses Act 1847, and more recently in article 34 of the treaty of Rome. The latter states:

"Quantitative restrictions on exports, and all measures having equivalent effect, shall be prohibited between Member States."

Some welfare lobbyists have suggested that changing the 1847 Act is the way forward. However, such a move would clearly be illegal as it would be contrary to article 34 of the treaty.

On the subject of EU treaties, I would like to lay to rest the idea that member states might deal with this issue through article 13 of the Lisbon treaty, which states:

"Member States shall, since animals are sentient beings, pay full regard to the welfare requirements of animals"

Some suggest that that is a new requirement and that, therefore, long journeys can no longer be considered legal. That is not the case. The corresponding text of article 13 was previously set out in the binding protocol to the treaty of Amsterdam, which was agreed in 1997. It was therefore already a requirement to treat animals as sentient beings when the European Council agreed the terms of Council Regulation 1/2005. I am afraid that that is not a legal option open to us.

My hon. Friend raised a number of specific points. She rightly referred to the recent changes at European level to make labelling fresh meat with the country of origin mandatory. We are awaiting the detail of that, but I sincerely hope that it will have the effect that she and I want it to have. We have always supported the need for country-of-origin labelling to ensure that British consumers are properly informed. However, that same legislation must not deceive consumers overseas into believing that sheep—it is mainly sheep—born and reared in the UK are native to France, Spain or wherever they are bought.

My hon. Friend referred to the licensing of the ship and the lorries. She referred obliquely to a Mr Onderwater. There is no doubt that he is closely involved in this trade and she is right that he has been prosecuted for cruelty. I cannot comment on the authenticity of her comment about where his office is, but he is not the authorised holder of the shipping licence, which was issued in Latvia. We have asked the Latvian authorities for details of it and they say that his name is not on the licence.

My hon. Friend referred to what happened on Friday. I was not aware of the eight lorries that she referred to. However, there is no legal specification about the number of lorries allowed on the ship. The specification is about the number of people who travel. We believe that that is why some of the lorry drivers decamped and travelled via Dover. I am aware of the six-hour delay in loading to which she referred, which is clearly unacceptable. Whether it was illegal is questionable, because it could count as part of the rest period. The Animal Health and Veterinary Laboratories Agency issued a notice to sail to stop any further delay. I admit that I did not know until today that such a power existed. The AHVLA is considering the best course of regulatory action. We are seriously inclined to introduce a maximum period of two hours to load and sail, to prevent that from happening again.

John McDonnell (Hayes and Harlington) (Lab): Many of us have constituents who have expressed concerns over the years, and who specifically want swift action on preventing the sail. I think that would help greatly.

Mr Paice: I think that preventing the sail might be counter-productive, because then the animals might face a longer journey back to where they came from if

[Mr Paice]

they had come from, say, the Republic of Ireland. However, we are taking measures to ensure that the ship sails quickly after loading, so that loading and sailing take place within two hours. I should also emphasise that it is a requirement of European legislation that all the necessary arrangements are made in advance, so that welfare is not compromised by insufficient co-ordination between the parts of the journey.

The motor vessel Joline, to which my hon. Friend referred, is licensed to sail in up to force 6 gales. We have recently had concern that she was sailing at what was considered to be the margin of that safety level. The captain was warned, but I emphasise that that is a maritime safety issue and not directly related to animal welfare, although clearly the welfare of the animals may be affected. There is no evidence that the captain has sailed in winds higher than force 6, but if I may use this phrase, he has sailed close to the wind.

There have been a large number of investigations by the AHVLA, but I need to emphasise that virtually all of them are about the vehicles rather than the ship. That is rather an important point, because it brings us to the enforcement of the existing legislation. That is an important consideration, particularly when we are discussing long journeys. The European Commission has spent nearly two years gathering data on the impact of the legislation and is due to report very shortly. It is too late for us to make any further submissions, as my hon. Friend suggested, but as soon as the report is published we will study it very carefully. We understand that it will have something to say about the level of enforcement across the Community, but will not make any recommendations of changes to the existing legislation. If that is the case, I can assure her that we will make further representations.

Whatever the report concludes, I will press the European Commission to come forward with proposals on both tightening the current enforcement of the existing rules and reviewing the existing long journey requirements to encourage shorter, more sustainable journeys linked to available slaughter capacity. Whatever the eventual outcome, I am sure my hon. Friend will agree that it must be based on the available scientific evidence, not subjective opinion or belief. I have to say to her that many member states will be opposed to any such tightening of those rules, and because the European Commission appears reluctant to take any action, any changes to the current rules on long journeys are unlikely to be achieved in the immediate future. That brings the matter back to this country and to my Department.

I believe that a more sustainable approach to the transport of livestock on long journeys must be found, and I will push for that at every available opportunity in the framework of future EU discussions on animal welfare during transport. I can say to my hon. Friend that, as I implied earlier, we will use every measure available to us within the bounds of legislation to be as robust as we can in ensuring that the highest welfare standards that can be achieved are achieved. As I said, we want to ensure that all those involved in the trade, whether they be shipping people or those running the lorries that transport cattle and sheep, are under no illusion that we will deal with them as robustly as we possibly can and take whatever measures are possible whenever there is an infringement.

I am grateful to my hon. Friend for raising the issue. Although I have not been able to do what I know she and other Members would like me to do, which is to declare that we will ban the trade—I am not able to do that—I hope she will rest assured that we will take every measure we can within the legislative arrangements that we have.

Question put and agreed to.

10.43 pm

House adjourned.

House of Commons

Tuesday 25 October 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

LONDON LOCAL AUTHORITIES AND TRANSPORT FOR LONDON (NO. 2) BILL [*LORDS*] *(BY ORDER)*

TRANSPORT FOR LONDON (SUPPLEMENTAL TOLL PROVISIONS) BILL [*LORDS*] *(BY ORDER)*

Second Readings opposed and deferred until Tuesday 1 November (Standing Order No. 20).

Oral Answers to Questions

FOREIGN AND COMMONWEALTH OFFICE

The Secretary of State was asked—

Palestinian Territories

1. **Mike Freer** (Finchley and Golders Green) (Con): What assessment he has made of the economic situation in the Palestinian territories; and if he will make a statement. [76293]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): May I first offer the apologies of the Foreign Secretary to the House? As I think the House knows, he is on his way to Australia—not, this time, to liberate it or meet a new regime but to attend the Commonwealth Heads of Government meeting. I am sure we all wish him well.

There has been growth in the occupied Palestinian territories over the past couple of years, variously rated at between 6% and 10%. Things are easier in the west bank than in Gaza, but the United Kingdom has been supporting economic development in both areas.

Mike Freer: Will my hon. Friend update the House on what steps have been taken, and what more can be done, to increase the flow of goods into the Palestinian territories?

Alistair Burt: Last year, following the difficulties over the flotilla, Israel moved from having a list of 120 goods that were allowed in to a less restrictive list. Efforts have been made to ease the amount going in, but more can still be done. For instance, 18 times the amount of concrete that goes into Gaza legitimately goes in through the tunnels, thus losing revenue and not providing the support that is needed for the construction of schools and so on. There is more to be done, and we press Israel to ease the restrictions still further for political and economic reasons.

Richard Burden (Birmingham, Northfield) (Lab): As we are talking about the economy of the west bank, I point out that more than 100,000 families depend on the olive oil industry, which accounts for 40% of the west bank's agricultural production. Some 7,500 olive trees have been uprooted by Israeli settlers since January, and the Israeli human rights organisation Yesh Din has reported 97 incidents, but none has led to any prosecutions or indictments. Does the Minister agree that that is unacceptable, and that the UK Government should make representations to the Israeli Government?

Alistair Burt: We continue to make representations on all examples of activities that we believe will damage the economy of the occupied Palestinian territories. The hon. Gentleman's point about agricultural produce is a good one. Agricultural exports from the Palestinian territories were 10 times greater in 2010 than in 2009, but one tenth of what they were in 2006. That gives a measure of the problem. We do indeed raise the matter, and we ask both sides to continue their efforts towards negotiations on a final settlement that would, of course, ultimately be in the economic interest of both.

Martin Horwood (Cheltenham) (LD): The prisoner exchange involving Gilad Shalit has been presented by Hamas in Gaza as a victory. Does the Minister agree that the cause of moderate Palestinian opinion, and perhaps even the Palestinian economy, could receive a boost from a successful bid for recognition of its statehood at the United Nations?

Alistair Burt: There are two issues there. First, the unconscionable detention of Gilad Shalit by Hamas was no cause for any victory celebration. We certainly welcome the fact that he has been released and hope that it indicates at least some degree of movement between the two parties. Ultimately, of course, what will benefit all is a negotiated settlement that leads to an independent Palestine side by side with a sovereign and recognised Israel. All the work that the United Kingdom does is to ensure that that is the most likely outcome of the various discussions that are taking place through the Quartet and the UN alike.

Ian Lucas (Wrexham) (Lab): Businesses in the Palestinian territories repeatedly stress that economic progress fundamentally depends on political progress. As the position of the UK Government is to support the establishment of a viable Palestinian state, will the Minister update us on their position on the recognition of such a state by the United Nations?

Alistair Burt: I welcome the hon. Gentleman to his position on the Front Bench. We know that he will acquit himself of his duties extremely well.

Economically, an ultimate settlement of the issue between Israel and Palestine will bring benefits to all and is essential. We play our part by supporting the economy, with some £80 million this year going to the west bank and Gaza. However, the ultimate settlement will depend not so much on any universal declaration as on the process of negotiation. At present there has been

no resolution put forward for the United Kingdom to vote on, and it is still not clear whether the UN process would be through the Security Council alone or through the General Assembly. However, the UK will always use its vote in the best interests of ensuring that the likelihood of negotiations towards a final settlement is assisted rather than hindered.

Ukraine

2. **Mr Elfyn Llwyd** (Dwyfor Meirionnydd) (PC): Whether he has made recent representations to the Government of Ukraine on the treatment of former President Tymoshenko. [76294]

The Minister for Europe (Mr David Lidington): My right hon. Friend the Prime Minister denounced the selective use of justice in Ukraine in the House on 12 October, and in late September my right hon. Friend the Deputy Prime Minister told President Yanukovych directly that cases such as Mrs Tymoshenko's were a threat to parliamentary ratification of Ukraine's association agreement with the European Union.

Mr Llwyd: I thank the Minister for that reply. Does not the behaviour of the Ukraine Government towards ex-President Tymoshenko show that Soviet-style show trials are unfortunately not a thing of the past? Does he agree that if Ukraine wishes to be taken seriously as a true democracy, it should start acting that way?

Mr Lidington: Since President Yanukovych took office, he has declared that his prime foreign policy objective is to secure Ukraine's closer integration with the EU through an association agreement. We need to keep reminding the Ukrainian Government that that integration involves not only economic reforms but reforms of the political and judicial systems to bring Ukraine into line with what we expect of a modern European democracy.

Richard Ottaway (Croydon South) (Con): I share the sentiment of both the right hon. Gentleman's question and the Minister's answer: the treatment of Mrs Tymoshenko is totally unacceptable. Does the Minister agree that Mr Yanukovych is trying to play the EU against Russia, but that he is succeeding with neither? Is not the message for him that he should comply with the rule of law or face international isolation?

Mr Lidington: As I said, if Ukraine wants to make progress with its declared objective of closer integration with the EU, it must realise that that involves a clear and permanent commitment to political reform to establish modern democratic institutions.

Mr John Whittingdale (Maldon) (Con): The Government are right to make clear their deep concern about the legitimacy of the trial and conviction of Mrs Tymoshenko, but does my right hon. Friend agree that it is in the interests of both our countries that we continue to press Ukraine, and that we negotiate for it to join the association agreement and to sign the deep and comprehensive free trade agreement? Does he also agree that although we should register a protest, it would be a grave mistake to break off those talks?

Mr Lidington: I do not believe that isolating Ukraine will help us in persuading the Government there to continue to move towards full membership of the European family of nations. I certainly welcome the fact that friends of Ukraine, including my hon. Friend, deliver that message clearly to the Ukrainian authorities.

European Union

3. **Nicky Morgan** (Loughborough) (Con): What the Government's priorities are for the European Union in the next year; and if he will make a statement. [76295]

The Minister for Europe (Mr David Lidington): The Government's immediate priority is for the eurozone to find a sustainable response to the current economic crisis, and to do so in a way that protects the rights of all 27 member states to take decisions over areas such as the single market. Beyond that, we shall continue to press for tight limits on EU spending and action to promote growth and jobs, through free and open markets, and by cutting regulatory costs on European business.

Nicky Morgan: I thank the Minister for his reply. Just in case the House has not debated Europe enough in the past 24 hours, can he shed any light on why the Leader of the Opposition thinks that the Prime Minister was mistaken to stand up to the French President at the weekend? Is it not essential that Britain is represented at the EU meetings this week for the sake of our economy?

Mr Speaker: Order. This question is on the responsibilities of the Prime Minister and not those of the Leader of the Opposition.

Mr Lidington: My hon. Friend is right. Not just this House but the country will be glad that they have a Prime Minister who will stand up for the interests of this country, even at the cost of an occasional row.

Mr Ben Bradshaw (Exeter) (Lab): But how is UK influence enhanced by the loose talk by the Prime Minister and other senior Cabinet Ministers of the repatriation of powers? What exactly is the Government's policy on that? Can the Minister name a single other EU country that would support it?

Mr Lidington: The reality is that if the eurozone proceeds, as economic logic demands, towards closer economic and fiscal integration, there will be consequences for the whole EU. As part of that negotiation, we intend to insist that, as a first step, the interests of the 27 are protected over matters such as the single market, and that the particular British interest in financial services is properly safeguarded.

Dr Julian Lewis (New Forest East) (Con): Those of us who opposed the creation of the single currency when John Major's Government were sitting on the fence view with horror the prospect that its failure may now lead to the economic unification and economic government of Europe. Will the Minister reassure us that Britain would not countenance supporting such a mad and undemocratic idea?

Mr Lidington: Part of the critique that both my hon. Friend and I have consistently made of the single currency is that, in the absence of closer fiscal and economic

union, a single monetary policy and interest rate would not be sustainable. However, it is the sovereign right of other European countries to choose whether to pursue closer integration now, and it would be disastrous for the UK were the eurozone to suffer a financial collapse or prolonged recession.

Mr Douglas Alexander (Paisley and Renfrewshire South) (Lab): I want to take the Minister back to the repatriation of powers. The Government's coalition agreement from last May promises that the Government

"will examine the balance of the EU's existing competences".

What progress has been made on this examination, has it come to any conclusions and, if so, will the Minister place them in the Library of the House of Commons?

Mr Lidington: The work has started. It is in its early stages, though, because in our first year in office we gave priority to implementing the referendum lock to try to repair the damage done to public trust in the EU by the right hon. Gentleman's Government and their denying people the referendum on the Lisbon treaty that had been promised. That work will continue, and I would welcome constructive suggestions from the Opposition as much as from any part of the House as that work is carried forward.

Mr Alexander: I thank the Minister for that elucidating answer. This morning, the Deputy Prime Minister said that the return of powers from the EU to Britain was not going to happen. How does the Minister reconcile those remarks with the earlier remarks this morning from the Education Secretary? Do these remarks suggest that the coalition Government have no intention of seeking the transfer of powers and that all the Conservative party's talk on this issue is simply an attempt to placate its own Back Benchers?

Mr Lidington: My right hon. Friend the Deputy Prime Minister spoke about rebalancing the responsibilities of the EU and member states in the light of potentially dramatic changes to how the EU is organised. Frankly, it is a bit rich for the right hon. Member for Paisley and Renfrewshire South (Mr Alexander) to lecture us, given that his party leader will not rule out joining the euro, rejects the idea that Brussels has too much power and claims that the President of France speaks for the British people. That makes the right hon. Gentleman a spokesman for a party that has no relevant contribution to make to the future of Europe.

Sri Lanka

4. **Stella Creasy** (Walthamstow) (Lab/Co-op): What recent reports he has received on the Lessons Learnt and Reconciliation Commission in Sri Lanka. [76296]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): We expect the Lessons Learnt and Reconciliation Commission to report in November. We are interested in its recommendations and conclusions, and we trust that it will deal with some of the credibility issues raised by the international community. We will also expect it to deal with some of the issues raised by the Channel 4 documentary during the summer.

Stella Creasy: The UN panel of experts concluded that the commission was "deeply flawed" and did

"not meet international standards for an effective accountability mechanism."

Do the Government agree with that assessment? If not, why not? If they do, what are they doing about it?

Alistair Burt: In the first place, the responsibility lies with Sri Lanka to carry out its own investigation, which is why we want to wait for the results of the commission in November. We are aware that it will deal with some of the criticisms offered by the UN panel of experts, but we will make a judgment, not on what comes before but on what the commission actually says. We have made it clear that we expect to see progress by the end of the year on a series of matters that has already been raised with Sri Lanka, and if that is not the case we have other options to pursue.

Mr Lee Scott (Ilford North) (Con): Does my hon. Friend agree that if the Sri Lankan Government's report does not answer the questions about the atrocities committed against the Tamil people, this issue will have to be taken forward as a matter of urgency?

Alistair Burt: It is all about the base of reconstruction and reconciliation for the future. The British Government and a number of others have sought to make it clear, in accordance with the wishes of the Government of Sri Lanka, that if reconstruction and reconciliation are to be properly based, that will involve looking back on the past as well as forward to the future. Progress has been made in Sri Lanka since the end of the conflict, but serious issues still need to be addressed and we expect the Sri Lankan Government to be in a position to do that.

Kerry McCarthy (Bristol East) (Lab): Given the obvious sensitivities of the Sri Lankan situation, can the Minister confirm that the Foreign Office has in its possession a full minute of all meetings, both in Sri Lanka and on the topic of Sri Lanka, that the former Defence Secretary had during his time in office?

Alistair Burt: I welcome the hon. Lady to her position, and I wish her well in performing her duties.

The Foreign Secretary has made it clear that he is well aware of the visits to Sri Lanka by my right hon. Friend the Member for North Somerset (Dr Fox), the former Secretary of State for Defence, who had a particular link with Sri Lanka during his time as a junior Minister at the Foreign Office. I have no knowledge of whether any minutes were prepared of those meetings, but I will inquire. I am absolutely certain, however, that the Foreign Secretary was well aware of the meetings, and that he was absolutely confident that Foreign Office policy would be properly reflected by my right hon. Friend the Member for North Somerset.

Simon Hughes (Bermondsey and Old Southwark) (LD): There is continuing concern around the world about human rights protection and press freedom in Sri Lanka. Will my hon. Friend tell the House what action Her Majesty's Government are taking, particularly in the context of the Commonwealth Heads of Government

meeting in Australia, to ensure that Sri Lanka does not take a high-profile position in the Commonwealth in the future?

Alistair Burt: There are two issues involved there. The concerns about press freedom have been raised with the Government of Sri Lanka. The disappearance of a number of journalists has not been fully investigated, for example, and the Sri Lankan Government have been tasked with dealing with that matter. We welcome the lifting of the emergency regulations, although we have yet to see how clear the replacement legislation will be. As far as the Commonwealth is concerned, Sri Lanka will not be the sole focus of the Commonwealth Heads of Government meeting. We expect any Commonwealth country hosting the meeting to meet the Commonwealth standards of good governance and respect for human rights, and that will be the same in 2013 as it is in 2011.

European Single Market

5. **Steve Rotheram** (Liverpool, Walton) (Lab): What recent discussions he has had with his EU counterparts on the future of the European single market. [76297]

The Minister for Europe (Mr David Lidington): My right hon. Friends and I take every opportunity with our EU colleagues, formally and informally, to argue that we need to deepen and widen the single market to secure economic growth and create jobs.

Steve Rotheram: Will the Minister tell me how much of the Foreign Secretary's valuable time was spent on the diversion of trying to appease rebellious Tory Back Benchers instead of trying to achieve reforms to the European single market, which might benefit Britain's interests? An estimate will suffice.

Mr Lidington: If the hon. Gentleman had been studying the conclusions of last Sunday's European summit rather than the brief from his Whips Office, he would realise that the summit agreed to give priority to EU action to benefit jobs and growth. He would also know that it called for full implementation of the services directive, completion of a digital single market by 2015 and a reduction in the administrative burden of European regulation on business by a quarter by next year. That is a European agenda that could have been written in London, and it was achieved because of the intensive diplomacy of my right hon. Friends the Prime Minister and the Foreign Secretary.

Mr Philip Hollobone (Kettering) (Con): European free trade through the single market is clearly a good thing for this country, apart from the fact that we have recently seen an alarming increase in this country's trade deficit with our European partners. What can Her Majesty's Government do about that?

Mr Lidington: I am glad that my hon. Friend has raised that matter. I took note of the points that he and others raised in the debate yesterday evening, and I have looked at the latest figures. I am glad to be able to tell him that the trade deficit has narrowed since the figures that he and others cited yesterday were produced. The way to get the trade deficit down is, in part, through Government Ministers making every effort through commercial diplomacy to help our businesses to sell British goods and services in Europe and the wider world.

Emma Reynolds (Wolverhampton North East) (Lab): Now that the Prime Minister has managed to secure a seat at tomorrow's summit in Brussels, what specific proposals will he put on the table, and which alliances will he build, or rebuild, to ensure that the eurozone 17 do not start to take decisions about the single market without us?

Mr Lidington: I am sorry that the hon. Lady, whom I welcome to her new responsibilities, overlooked the commitments already made on Sunday by all 27 Heads of Government to ensuring that the integrity of the single market is protected and that the rights of the Community at 27 are safeguarded. My right hon. Friend will be seeking both political and legal or administrative ways to ensure that the position of the Euro-outs is protected. He will find allies—my own experience in the General Affairs Council on Saturday certainly showed this—not only among other countries outside the eurozone, but among a number of eurozone member states that do not wish either the UK or other Euro-outs to be excluded from discussion.

Miss Anne McIntosh (Thirsk and Malton) (Con): Of course, as the Foreign Secretary pointed out yesterday, a real prize for this country will be completion of the internal market for services and liberalisation of the energy sector. Is that likely to be achieved under the Polish presidency?

Mr Lidington: I think that we will make some progress under the Polish presidency. I would like to think that we will accomplish everything my hon. Friend urges, but it is certainly our intention to continue to press forward with that agenda under the Danish and, if necessary, the Cypriot presidencies next year.

Human Rights (Egypt)

6. **Gemma Doyle** (West Dunbartonshire) (Lab/Co-op): What recent discussions he has had with the Egyptian authorities on the protection of human rights. [76298]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): On 12 October, my right hon. Friend the Foreign Secretary had a conversation with the Foreign Secretary in Egypt, in which human rights issues were raised. Also, on 20 October, my right hon. Friend the Deputy Prime Minister paid a visit to Cairo, when human rights were again part of the subject of his conversation with the Prime Minister.

Gemma Doyle: May I press the Minister to ensure that a fair proportion of the Arab Partnership fund is used to support women's political participation in Egypt? I urge him to look at what percentage of the applications received for the fund were from women's organisations and what proportion of grants awarded will support women's rights.

Alistair Burt: Yes, I will. Clearly, the Arab Partnership work with Egypt is now under way on capacity building and democracy building, and about £1 million has been spent. I am not sure how easy it will be to divide it in the

manner she described, but I will look at that. What has been clear from talking to activists who have been to the UK to talk to us is the determination to be involved in the processes. We have been very keen to make sure that they have been involved, and our work has been designed to assist women to participate at all levels in respect of the future of Egypt.

Mr Gary Streeter (South West Devon) (Con):I congratulate my hon. Friend on the work of the Arab Partnership fund in Egypt and I encourage him to try to find even more resources for it as quickly as possible. Does he agree that the best way to protect human rights in Egypt is to help the country to acquire the kind of stable democracy that we in the west take for granted? Is that not the right way forward for that part of the world?

Alistair Burt: It is. My hon. Friend, whose work through the Westminster Foundation has been a great asset to the Arab Partnership, is absolutely right. There are various things that we look at. The constitutional declaration by the Egyptian Government on 30 March made equality and freedom of expression and opinion very clear, and we are waiting to see enacted a unified law on the construction of places of worship, which will grant equality to Copts and Muslims in that particular area. There are whole areas of equality where thestatements by the Government there have been good but it is essential that they are followed by actions. That will be underpinned by democracy.

Human Trafficking

7. **Mr Peter Bone** (Wellingborough) (Con): What recent guidance he has issued to overseas posts on implementing the new Government strategy on human trafficking. [76299]

The Minister of State, Foreign and Commonwealth Office (Mr Jeremy Browne): My right hon. Friend the Foreign Secretary wrote to all overseas posts on 19 July welcoming the strategy and outlining its aims. We soon expect to finalise with the Home Office the strategy for priority countries. When that process is complete, the Foreign Secretary will write to ambassadors and high commissioners in those countries, instructing them to incorporate trafficking objectives into their work.

Mr Bone: I thank the excellent Minister for that response. Prevention is better than cure. If a young woman is trafficked into this country, she will be rescued, but it is better that she is not trafficked in the first place so that she does not have to suffer modern-day slavery and all that goes with it. It is our ambassadors and delegations abroad who are our first step in warning people of the dangers of trafficking. Does the Minister agree?

Mr Browne: I strongly agree with my hon. Friend. We are working with foreign Governments to build their capacity to disrupt human trafficking—for example, we are working with judges and prosecutors in priority countries to increase prosecutions; we are working with the Serious Organised Crime Agency to preventtrafficking by building capacity; and we are addressing the root causes by alleviating poverty through our work with the Department for International Development.

Keith Vaz (Leicester East) (Lab): The key necessity is to track down and prosecute those who are responsible for trafficking. Four international organisations are involved: Europol, Interpol, the Southeast European Cooperative Initiative, and the European Union. How are the Government attempting to co-ordinate those organisations?

Mr Browne: I agree that it is desirable to co-ordinate that kind of international work, but we are also working in tandem with countries where our embassies are developing programmes of the type that I have just mentioned. We are not ruling out any ways of trying to achieve our common objectives.

Central Asia

8. **Nigel Mills** (Amber Valley) (Con): What recent steps he has taken to strengthen relations with countries in central Asia; and if he will make a statement. [76300]

The Minister for Europe (Mr David Lidington): Central Asia is increasingly important to British economic and strategic interests. We shall be opening a British embassy in Kyrgyzstan early next year, and we are maintaining high-level bilateral contact with all five republics. The most recent such contact took place during a visit to central Asia by my right hon. Friend the Minister of State, Department for International Development.

Nigel Mills: When I was doing voluntary work in Tajikistan recently, it was noted that despite the good work of our ambassador, there was a very low-key British presence. Will the Minister ask the British Council whether it can raise its profile in that country? The council currently deals with it from Uzbekistan, and relations between the two countries are pretty poor.

Mr Lidington: I pay tribute to the voluntary work that my hon. Friend did in Tajikistan earlier this year. It is good that the interests of that important part of the world can be highlighted in the House of Commons. I will happily pass on what my hon. Friend has said to the head of the British Council.

Jeremy Corbyn (Islington North) (Lab): Until fairly recently central Asia was awash with nuclear weapons, but following the declaration by Kazakhstan and a number of other nations, a nuclear-weapon-free zone has been established there. Does the Minister welcome its establishment, and will he guarantee that NATO will comply with the zone and not overfly it with any nuclear weapons or nuclear-armed aircraft so that we show respect for that attempt to introduce peace to what was once a very tense region?

Mr Lidington: We welcome any moves to reduce the threat from nuclear proliferation worldwide, and we look not only to the central Asian republics but to all signatories to the non-proliferation treaty to live up to their obligations fully.

Lydia Hunt

9. **Stephen Timms** (East Ham) (Lab): What recent discussions he has had with the Mexican authorities on progress in the investigation into the abduction of Lydia Hunt. [76301]

The Minister of State, Foreign and Commonwealth Office (Mr Jeremy Browne): I raised the case directly with the Mexican Deputy Foreign Minister during my meeting with her in Mexico City last Tuesday, and my right hon. Friend the Foreign Secretary also raised it when he met the Mexican Foreign Minister in London in June. We expressed our concerns about Lydia Hunt's welfare, the delays in locating her, and the slow progress in resolving the case through the courts.

Stephen Timms: I am very grateful to the Minister. My constituent Jonathan Hunt has been seeking his daughter's return for three years since she was abducted to Mexico, although the country is a signatory to The Hague convention, which requires the determination of cases involving minors within six weeks. What more can the Minister do to help Lydia, and how can he tackle non-compliance with the convention by member states such as Mexico?

Mr Browne: That, in essence, is the point that I put to the Minister when I saw her last week. We are keen for progress to be made as quickly as possible, but we are told by the Mexicans that legal obstacles prevent it from being made as quickly as we should like. We continue to press the case of the right hon. Gentleman's constituent.

Syria

10. **Stephen Metcalfe** (South Basildon and East Thurrock) (Con): What assessment he has made of the political situation in Syria. [76302]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): The situation in Syria continues to be a matter of grave concern. Estimates suggest that at least 3,000 people have been killed since the unrest began, including the documented total of 187 children. We continue to call on the regime to stop killing its own people and to free political prisoners, and we continue to urge other international action in order to show that the legitimacy of the regime has gone.

Stephen Metcalfe: Syria, much like Iran, continues to brutally suppress its own people, flagrantly abuses human rights, and is still funding international terrorist organisations such as Hamas and Hezbollah on Israel's borders. What pressure can the Government exert on Syria to stop further bloodshed?

Alistair Burt: The Government have been in the lead in promoting action in the European Union and the United Nations. The European Union has imposed seven rounds of sanctions on Syria, involving some 56 individuals and 19 entities, and most recently has put pressure on its oil exports, which constitute some 25% of its revenue. Further efforts will be made in the United Nations, although unfortunately a resolution that we had helped to draw up was vetoed by Russia and China on 4 October. It is vital for the United Nations to speak with one voice in its condemnation of what is happening in Syria.

Tony Lloyd (Manchester Central) (Lab): The Minister is absolutely right that the veto by Russia and China was a disgrace, but what can be done to achieve solidarity from Turkey and Arab neighbours of Syria, who can have enormous influence both on Damascus and at the United Nations?

Alistair Burt: Yes, they can; the hon. Gentleman knows that from his own background knowledge. Last week I met Foreign Ministers representing Arab League countries. They have a delegation that is due to go to Syria on 26 October, and they have increasingly stepped up their concern. The hon. Gentleman is right that they must ensure that their leverage in relation to Syria—which may well be greater than ours—is used to benefit the Syrian people. We have been in close contact with Turkey, which continues to lend support to our efforts for more to be done internationally. It is essential that the international community speaks with one voice and that the Syrian regime stops killing its people and begins a transition.

EU Observer Status (UN)

11. **Stephen Phillips** (Sleaford and North Hykeham) (Con): What assessment his Department has made of implications for UK foreign policy of the EU's enhanced observer status at the United Nations. [76303]

The Minister for Europe (Mr David Lidington): The EU's formal status as a non-voting observer at the United Nations has not changed. The key difference is that now, where agreed, the High Representative, rather than the rotating presidency, speaks on the EU's behalf at the General Assembly. The practical implications for our foreign policy have not been noticeable, but we have had to hold some tough discussions with those who thought Lisbon meant an automatic increase in the EU's competence in international bodies.

Stephen Phillips: I am grateful to my right hon. Friend for that answer. We have recently witnessed major foreign policy crises in respect of Libya and elsewhere. What difference has the EU's new status made to the way in which we and the United Nations have handled those crises?

Mr Lidington: I have to tell my hon. and learned Friend that it made very little difference indeed in practice, in part because the EU itself was divided. When we had to pursue a military campaign and the need arose for quick political decisions, it was individual member states' Foreign Ministries, Defence staffs and intelligence agencies who made the decisions and took things forward. The EU has an important role to play in helping to rebuild Libya and integrate it into the wider community of nations.

Mr Denis MacShane (Rotherham) (Lab): Will the Minister confirm that on every working morning at the UN and all its agencies there is a co-ordination meeting of all the EU ambassadors, including the UK's, and that when they decide to speak with one voice they have

far more impact than a cacophony of 27 different voices? We have to stop appeasing the "Mad-Eye Moodys" who hate anything to do with the European Union; and when we can speak as one, we should speak as one.

Mr Speaker: Minister?

Mr Lidington: I am waiting for the right hon. Gentleman to find his Harry Potter analogies. He is right to the extent that if the 27 EU member states are able to speak with one voice, that can often add to the weight of their voice, but it is important that that is done in a way that does not compromise the delineation of competences between the EU and member states as set out in the Lisbon treaty, which is why I am glad that at the General Affairs Council on Saturday we all agreed a framework agreement to make sure representation should not affect competence.

Afghanistan

12. **Susan Elan Jones** (Clwyd South) (Lab): What recent assessment he has made of the Afghan High Peace Council's role in the political process in that country. [76304]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): The High Peace Council leads the Afghan Government's reintegration and reconciliation efforts. Following the tragic assassination of former President and council chairman Rabbani, President Karzai has been reviewing the approach the High Peace Council takes to its work. We will continue to stand by his Government's efforts to support Afghan-led reconciliation through the High Peace Council.

Susan Elan Jones: I am grateful to the Minister for his answer, but what is the UK's latest assessment of the Afghan High Peace Council's commitment to the inclusion of women in Afghanistan's political process?

Alistair Burt: This issue is very important to the United Kingdom, and to the many Members who have written to me about it over the past few weeks. Women are represented on the High Peace Council; nine of its 70 members are women. They have also been represented in Parliament and in last year's peace process. We continually stress to the Afghan Government that the commitment they have made to the equality of all their citizens and the inclusion of all in future processes must be met by action as well as words, and we will continue to take that forward as we look towards the Bonn summit.

Margot James (Stourbridge) (Con): I am encouraged by my hon. Friend's reply. Will the Government do all they can to ensure that women attending the Bonn peace conference will be representative of the true aspirations of Afghan women, and will not just be placewomen put there for the benefit of the Afghan Government?

Alistair Burt: My hon. Friend is absolutely right. I recently met Fawzia Koofi, an Afghan woman MP who was outspoken in her determination to ensure that she and others like her should be properly represented, both at the Bonn summit and in other aspects of life. She reminded all of us that Afghan women have traditionally taken part in a great deal of decision making at local and provincial level, and she was keen to ensure that the gains made over the past 10 years in women's lives should not be lost. We should stand absolutely beside those who believe that.

Detentions (Israeli Military Prisons)

13. **Ian Lavery** (Wansbeck) (Lab): What recent reports he has received on the continued detention of Palestinian children in Israeli military prisons. [76305]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): We receive regular reports about the detention of Palestinian children from a non-governmental organisation, Defence for Children International. We remain concerned about the detention of children in military jails and the prosecution of children through military courts.

Ian Lavery: Will the Minister confirm the UK Government's full support for UNICEF, which is calling for the immediate release of the 164 children in Israeli military prisons? Will he assure the House that as the relevant Minister he will do everything in his power to get these kids reunited with their families?

Alistair Burt: When I was in Israel a few months ago, I raised this matter directly with the Minister responsible, indicating the UK's concerns about both the detention and the treatment of children. The Israelis have recently raised the age of criminal responsibility in the territories from 16 to 18, so it is the same as for Israeli children. None the less, I know that the Israeli Government do take seriously the fact that children are detained in circumstances that cause concern to NGOs and UNICEF, and we will continue to press them on this.

Robert Halfon (Harlow) (Con): Does my hon. Friend agree that the tragedy of some of these Palestinian children in Israeli prisons has arisen because some of them have been groomed as terrorists by Hamas and Islamic Jihad, which goes against the Geneva convention and all kinds of international law? *[Interruption]* Will he take steps with the Palestinian Authority to try to ensure that children are not used in that way?

Alistair Burt: I hear comments from others, but my hon. Friend makes a fair point; the tragedy is that children have been used. There was a regrettable incident in which a Down's syndrome youngster was a suicide bomber. It is not wrong for anyone to be alert to those risks. None the less, the majority of these children are not detained for such reasons and it is essential that Israel makes the right distinction between the two in order to retain international credibility and to ensure its own security.

South Sudan

14. **Andrew Rosindell** (Romford) (Con): What recent assessment he has made of political progress in South Sudan; and if he will make a statement. [76306]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Henry Bellingham): President Kiir and South Sudan face many challenges, as the country has to build capacity and structures from scratch. For example, there are only 20 km of tarmacked road in a country the size of France. Furthermore, the country has to deal with hundreds of thousands of south Sudanese returning from the north. Britain is not only working with the international community, but taking the lead in a number of key areas of development.

Andrew Rosindell: The Minister will be aware that one of the first decisions taken by the Government of South Sudan was to apply for membership of the Commonwealth of Nations. Will Her Majesty's Government give support to that application? Should the country wish to apply to become one of Her Majesty's realms, would the Government also support that application?

Mr Bellingham: On my hon. Friend's first point, that is obviously a matter for all members and key criteria will have to be met, especially those relating to the core values of democracy, human rights and the rule of law. South Sudan is making good progress, however, and we should be ambitious and aim for membership in 2013. On his second point, it is obviously up to the Sudanese to decide whether to have an elected presidency or move to a constitutional monarchy with Her Majesty the Queen as Head of State.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): What steps are the Government taking to assist with the resolution of the outstanding border issues between South Sudan and the north, particularly the situation in Abyei?

Mr Bellingham: I certainly share the hon. Gentleman's concern about Abyei. A framework agreement is in place, which states clearly that both sides must disengage, and we are urging them to do so as soon as possible. The UN-backed force of Ethiopians is in place and is deploying, but both sides—the Sudanese armed forces and the Sudan People's Liberation Army-North—must disengage.

Iran

15. **Mel Stride** (Central Devon) (Con): What his policy is on sanctions against Iran; and if he will make a statement. [76307]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): We strongly support the use of targeted sanctions in relation to our concerns about Iran's nuclear activity, its human rights abuses and the recently discovered international terrorist activity in the United States. The choice is clear: those who continue to follow such a course can either remain on it and face further sanctions and isolation or they can respond to the wishes of the international community and have those sanctions lifted.

Mel Stride: I thank my hon. Friend for that answer. Will he share with the House the Government's assessment of the military dimensions of the Iranian nuclear programme, particularly given that the Iranians continue to refuse to co-operate with the International Atomic Energy Agency?

Alistair Burt: The IAEA is, in a sense, the keeper of the conscience of the world in relation to the bargain between those with nuclear weapons and those without. It has reported recently its increasing concern, as my hon. Friend says, about the possible military dimensions of Iran's nuclear programme, and a further report is expected in November. Concerns have increased because of the news that the centrifuges are going to be moved to Qom, underground, and there is no civilian justification for the enrichment programme that Iran is working on. All those things are rightfully our concern.

Gordon Banks (Ochil and South Perthshire) (Lab): The IAEA called the weapons programme in Iran "extensive and comprehensive". May I ask the Minister whether sanctions are working, what more the UN should do and whether he favours an extension of sanctions into oil and gas exports?

Alistair Burt: The process of sanctions has been cumulative over time. There is evidence that they are beginning to have an impact on the economy in relation to Iran—above all, targeted on the individuals who are most responsible—but as well as the sanctions track there is a negotiations track. Nuclear powers have made it very clear, as have the E3 plus 3, that there is an opportunity for negotiation with Iran if it would be open about its nuclear policy. We urge Iran to follow that track so that sanctions can be lifted and the world can be convinced of the civilian purposes of Iran's programme if that is, indeed, the case.

Topical Questions

T1. [76318] **George Eustice** (Camborne and Redruth) (Con): If he will make a statement on his departmental responsibilities.

The Minister for Europe (Mr David Lidington): I am sure that the whole House will want first to send its sympathy to the Government and people of Turkey in the wake of the devastating earthquake that has struck there. My right hon. Friend the Prime Minister has assured Prime Minister Erdogan that the United Kingdom is ready to help in whichever way Turkey thinks best.

At the Commonwealth Heads of Government meeting that opens in Perth on Friday, we believe that the key focus of discussions should be on how to strengthen the Commonwealth for the future. We are committed to working to strengthen the Commonwealth as a force for democracy, development and prosperity and we believe that this CHOGM can and should be a defining one for the organisation.

George Eustice: I thank the Minister for that answer. The coalition agreement states:

"We will examine the balance of the EU's existing competences".

Will the Minister explain to the House when and how this Government policy will be delivered?

Mr Lidington: This work is under way. I am sure that as it continues there will need to be opportunities to debate the outcome in the House. I hope that my hon. Friend will contribute to that debate and come forward with constructive proposals of his own.

Mr Douglas Alexander (Paisley and Renfrewshire South) (Lab): The House will be aware of disturbing reports this morning of an explosion at a fuel tank that has left more than 50 people dead in the Libyan city of Sirte. Of course that event needs to be investigated fully but it surely reminds us that Libya is still awash with weapons, including heavy weapons left over from the Gaddafi era. What steps are the British Government taking to support the Libyan authorities in securing those weapons so that they threaten neither the Libyan people nor international security?

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): The right hon. Gentleman is right to focus on this, as, indeed, we have. A team from the United Kingdom is already assisting in dealing with the collection of weapons—small arms—and with the issue of surface-to-air missiles that have gone missing in the area. We also have people involved in de-mining and decommissioning, so the United Kingdom takes this issue very seriously. It is essential that the militia come under proper national transitional council control, that there is proper direction of them, that arms are returned and that the politics of Libya can now get on and work for the future.

T2. [76319] **Amber Rudd** (Hastings and Rye) (Con): There is a dangerous disagreement in Zimbabwe among the fragile unity Government about the process and preparation for elections next year. What aid can we give to the Southern African Development Community in preparing for and supporting fair elections in that country?

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Henry Bellingham): We support fully the role that SADC is playing as guarantor and facilitator under the global political agreement. We applaud the work that President Zuma has been doing and his personal leadership in producing an election road map. We support fully his and SADC's efforts to create the conditions for credible and properly monitored elections in Zimbabwe, but the violence and intimidation must stop forthwith.

T3. [76320] **Valerie Vaz** (Walsall South) (Lab): Sakina Mohammadi Ashtiani has been in detention for six years and still remains under sentence of death. Her lawyer has fled; his lawyer is in detention; and the lawyer's lawyer has also fled. Will the Minister update the House on what recent representations have been made in her case?

Alistair Burt: Representations have been made in relation both to Miss Ashtiani, who, indeed, remains under sentence of death and in detention, and to her lawyers. The House might like to know that some 61 individuals are now under EU sanctions because of human rights abuses, and that pressure will continue. We continue to raise the cases of all human rights abuses in Iraq, because they remain a stain on that country's position, and we wish to see Miss Ashtiani given a fair trial as soon as possible.

T4. [76322] **Mr Edward Timpson** (Crewe and Nantwich) (Con): Brave constituents of mine who served in Afghanistan with 1st Battalion the Mercian Regiment know all too well that Afghanistan does not sit alone in a vacuum and that the regional dimension is crucial to its future stability. To that end, what prospect does the Minister believe that the Istanbul conference has in helping to bring about the regional co-operation and peace that is needed?

Alistair Burt: My hon. Friend is right: it is essential for Afghanistan's future not only that its internal politics evolve—that involves the relationship with its near neighbours—but that its regional context is regularised. China, India and Pakistan all have a role to play, as well as countries further afield. The Istanbul conference is an opportunity to bring those nations together, with a common purpose in securing Afghanistan's future and giving the Afghan people the opportunity of a viable, secure and democratic future.

T5. [76323] **Rushanara Ali** (Bethnal Green and Bow) (Lab): Earlier this month, a blast ripped through the Education Ministry in Mogadishu, killing at least 70 people. As fighting continues between the transitional federal Government and al-Shabaab and thousands continue to die from famine in the region, what steps are the Government taking to provide international leadership in promoting a lasting resolution to the conflict in Somalia?

Mr Bellingham: The UK Government are doing all that we can. We are playing a vital part in the Djibouti process. We are supporting an uplift in the African Union Mission in Somalia to its mandated level of 12,000 troops. We are also doing all that we can to ensure that the transitional federal Government and the transitional federal institutions adhere to the benchmarks in the road map. If they do that, there is a chance for peace and progress, not just in the troubled capital but in the whole country.

T6. [76324] **Henry Smith** (Crawley) (Con): I pay tribute to my hon. Friend the Minister for his diligence in meeting, on a number of occasions now, constituents of mine who originally come from the Chagos islands. Will he update the House on what progress his Department has made with regard to visits to the Chagos islands by those islanders?

Mr Bellingham: First, I pay tribute to my hon. Friend for the work that he has done in engaging the Chagossians in his Crawley constituency. He has been an absolute pillar of strength for that community. We have organised a number of visits back to the Chagos islands this year for Chagossians from the UK, the Seychelles and Mauritius. We will organise more visits in the future, and I want to get more members of the Chagossian community involved in environmental, conservation and heritage work in the territory.

Dr William McCrea (South Antrim) (DUP): Much has been said about the protection of human rights in Egypt. Has the Minister raised with the Egyptian authorities

the recent brutal attacks on the Christian minority in Egypt that have led to personal injury and the destruction of property, while it seems that the police and security forces stood idly by?

Alistair Burt: The hon. Gentleman might be referring to the attacks of 9 October, which were particularly serious. They were indeed commented on and raised by my right hon. Friends the Foreign Secretary and the Deputy Prime Minister. The precise circumstances are unclear, but the Egyptian authorities have said that they will hold an inquiry to find out what happened. I return to my previous answer: the Egyptian authorities are very clear in words about the protection of all elements of the community in Egypt; it is essential that their authority carries through to deeds and that those who wish to see harmony support the authorities in ensuring that that happens.

T7. [76325] **Mike Freer** (Finchley and Golders Green) (Con): The forthcoming Commonwealth Heads of Government meeting is an opportunity to raise the persecution of gay men and women—indeed, all minorities. What steps can the Minister take to promote equality and tolerance?

Mr Bellingham: I agree with my hon. Friend. CHOGM is an opportunity to ensure that the Commonwealth becomes a stronger force for promoting democratic values, human rights, the rule of law and, of course, equality and tolerance. That is why we warmly welcome the recommendations of the eminent persons group and the ministerial action group.

Mike Gapes (Ilford South) (Lab/Co-op): Will the Government take this opportunity to congratulate the people of Tunisia on their free and fair democratic election of a constituent assembly today, praise them for the number of women elected and pledge to work with the democrats and all forces that were elected in Tunisia for a democratic and pluralistic future?

Alistair Burt: I am so glad there has been an opportunity to raise the matter. I would like to thank my hon. Friend the Member for North Thanet (Mr Gale) who took part in the observer process as a strong friend of Tunisia. Indeed, the elections appear to have passed off peacefully, with a huge turnout and engagement which confounded the critics. I am pleased that the United Kingdom was able to provide support in the form of capacity building through the election process. For the people of Tunisia, who in a way started what we have been living through for all these months, it has been very important to see it through to a determined election process. We congratulate them and look forward to the next stage, which is the not unfamiliar territory of putting together a coalition in order to take matters forward.

Mr Speaker: Following reference to him, let us hear from the hon. Member for North Thanet (Mr Gale).

Mr Roger Gale (North Thanet) (Con): The outcome of the first Arab spring elections in Tunisia at the weekend is likely to have an effect throughout the middle east, most particularly in Egypt where elections are supposed to be held next month. It is early days yet; we do not know the results, but given the likelihood of a significant dominance by the Ennahda party in Tunisia, what assessment has my hon. Friend managed to make already of the likely effects upon the situation in Egypt and elsewhere?

Alistair Burt: Again, I thank my hon. Friend for his work in Tunisia and for reporting back so quickly to the House. First and foremost, the fact that even in a relatively short time a community can come through a state of dictatorship to free and fair elections is a good example. Secondly, it will be the example to follow. There is no doubt that Islamic parties will be well represented in the Parliaments of states in north Africa that have elections, but as we know, the label encompasses quite a wide range of opinions about democracy. What we wish to see now is the Tunisian Government established and able to put into practice their determination of a pluralistic democracy. We hope that those in Egypt will see that example and begin to work through their own processes—

Mr Speaker: We are much obliged to the Minister.

Fabian Hamilton (Leeds North East) (Lab): I should like to declare an interest.

Following the self-immolation of nine Tibetan monks in the past few weeks, what representations have the British Government made to the Chinese authorities to stop the consistent and systematic eradication of Tibetan culture, religion and language, and to give the Tibetan people their much needed and correct desire for self-determination?

The Minister of State, Foreign and Commonwealth Office (Mr Jeremy Browne): The Government continue to have the same policy as the previous Government with regard to Tibet's position in China, but we still make representations on a regular basis with respect to human rights and the conditions of the Tibetan people.

T8. [76326] **Jane Ellison** (Battersea) (Con): As Shaker Aamer approaches the 10th anniversary of his incarceration without charge in Guantanamo Bay, can the Minister update the House on the Government's representations on his behalf?

Alistair Burt: As many hon. Members know from correspondence, the return of Shaker Aamer to the United Kingdom remains an objective of the United Kingdom Government. His case continues to be raised both by officials and at ministerial level. It is a matter for the United States Government to determine, but our own determination and our efforts to return Shaker Aamer to the United Kingdom will certainly continue.

Ann Clwyd (Cynon Valley) (Lab): Given the Minister's warm words on democracy and human rights in the middle east, in what practical ways are we helping countries such as Tunisia and Egypt?

Alistair Burt: The Arab Partnership was set up with a total budget of more than £100 million to cover a number of years and these countries in north Africa and beyond. Money is there to support capacity building, for people to go out to talk about election process, for party building and for basic communications. Bearing in mind that some of these countries have not had any

sense of this, we have sent out skilled operatives, including Members of the House, to convey what Parliament and parliamentarians do, and to help build up the process through officials and others. That work is continuing. In places such as Iraq for example, although not part of the Arab Partnership, where that work is still needed to create a fully functioning relationship between Executive and—

Mr Speaker: Order. That is enough material for an Adjournment debate. We are very much obliged. We have heard enough, Minister. We are extremely grateful to the Minister, but the answers are simply too long.

T9. [76327] **Richard Fuller** (Bedford) (Con): While rightly celebrating the elections in Tunisia, may I draw the Minister's attention to the other geographic end of his responsibilities, to Kashmir? Will the Minister meet the Prime Minister of Azad Kashmir, who is visiting the United Kingdom this week, and will he make the case for self-determination of all Kashmiri people within an independent Kashmir state?

Alistair Burt: The position of the UK Government in relation to the resolution of Kashmir has been long held. It is a matter for the Indian and Pakistan Governments to settle with regard to the wishes and the interests of the Kashmiri people.

Mr Andy Slaughter (Hammersmith) (Lab): Is the Minister concerned at the reputation that the UK is acquiring in Egypt and other post-revolution Arab countries as being a safe haven for criminals from the anciens regimes there? What steps is he taking at the moment to ensure that fugitives from justice in those countries and their ill-gotten gains are returned?

Alistair Burt: I do not recognise the reputation that the hon. Gentleman describes, unless they are all going to Ealing. *[Interruption.]* Maybe just next door; I am sorry. Where a case can be proved against those who have come to the United Kingdom, which involves either seizure of assets or criminal activity, for which it is possible to remove people from the United Kingdom, we will respond to those requests.

Sir Menzies Campbell (North East Fife) (LD): Do the Government share my revulsion at reports that supporters of Gaddafi have been subject to revenge executions without any semblance of due process? Should not our satisfaction at the military outcome now be accompanied by a determination to persuade the new Government of Libya not to allow any descent into brutality?

Alistair Burt: Unequivocally, yes. But we should pay due tribute to the work of the national transitional council, which set out a clear set of principles on which it would seek to remove the regime and by which to govern, and Chairman Jalil has made it clear on a variety of occasions: no reprisals, no revenge, and respect for human rights. In the circumstances of conflict, that can be very difficult to deliver, but there is no doubt that the new Government have made clear their aims, objectives and principles. They wish to be different from the previous regime and we are right to stand by them and their determination to make those principles stick, no matter that circumstances may be difficult.

Mr Clive Betts (Sheffield South East) (Lab): With regard to the eventual vote at the United Nations on Palestinian statehood, if the Government were to adopt a position that they would vote in favour of such a motion only if a comprehensive peace agreement had first been agreed, does not that effectively give the Israeli Government a veto over Palestine ever becoming a state?

Alistair Burt: I am not sure that that does represent the United Kingdom's position. Attempts have been made to tease it out of me and the Foreign Secretary on many occasions and we will not succumb on this one. No resolution has been put to the United Nations on which a decision needs to be taken. We have made it clear that we wish to see a negotiated settlement, which is the only way in which this will finally be settled, and any vote we use in the UN, whether in the Security Council or the General Assembly, will be used to best effect to ensure that those negotiations continue and are successful rather than anything that might be a hindrance.

Jessica Lee (Erewash) (Con): Would my hon. Friend please provide the House with an update of the situation regarding the convicted Lockerbie bomber, al-Megrahi? The fact that this convicted terrorist remains a free man is not only a complete disgrace, but a cause of real concern for all the families affected around the world.

Alistair Burt: There are two or three legacy issues that need to be dealt with. There are also issues relating to the provision of Semtex to the IRA and, of course, the death of WPC Fletcher. All those will be considered. That is an important part of the new bilateral relationship between the United Kingdom and Libya, but not all the issues are presently settled. The legal position of Mr Megrahi appears to have been settled by past actions, but the legacy issues will be examined anew by this Government and by the new Government of the national transitional council.

European Union Act 2011 (Amendment) (No. 2)

Motion for leave to bring in a Bill (Standing Order No. 23)

3.35 pm

Mr William Cash (Stone) (Con): I beg to move,

That leave be given to bring in a Bill to apply the terms of the European Union Act 2011 such as to require approval by Act of Parliament and by referendum of provisions for the creation of a fiscal union or economic governance amongst those Member States of the European Union which comprise the Eurozone; and for connected purposes.

After last night, I hope that the Government will now at least agree to have a referendum on the proposed eurozone fiscal union and that the Prime Minister will set out an agenda for renegotiation of all the treaties. As I have made clear in my pamphlet, "It's the EU, Stupid", it is time for the coalition to wake up to the dangers that come from advocating full fiscal union and its imminent threat to the UK's national interest. Indeed, the front of the pamphlet has a cartoon showing a compression chamber in the European Union and the necessity of having the safety valve of a referendum at Westminster.

We are now faced with a two-tier Europe, which I wrote about in the 1990s, with a dominant Germany, fiscal union and a hard-core economic federation with which we have a massive trade deficit—minus £38 billion last year in the eurozone alone—with no serious attempt to deregulate burdens on business and a massive European financial crisis. I am told that *The Daily Telegraph* will tomorrow reveal the full exchange between the Prime Minister and Nicolas Sarkozy and how the Prime Minister's attempt to protect us in relation to the single market was rebuffed. I am not surprised. Indeed, serious rows are going on between France and Germany and between France and ourselves, which merely demonstrates the depth of the crisis.

The Government believe that it is in the interests of the eurozone, the EU itself and the United Kingdom to promote the idea of fiscal union and economic governance of the eurozone, led by Germany and France. That is a dangerous gamble, the balance of judgement for which must be thrown against the project, certainly for the UK, just as the opt-outs for Maastricht did not prevent the creation of a European Government, which has failed, with damaging consequences for the United Kingdom. Indeed, the Prime Minister yesterday conceded that we should have had a referendum on Maastricht, as I argued when I set up the Maastricht referendum campaign all those years ago.

There are a number of reasons why fiscal union will not work for either the eurozone or the United Kingdom. The Chancellor's claim that there is a "remorseless logic" towards it avoids the fact that it is the deep-rooted cause of the structure of the treaties and the attempt to create unity out of diversity, with over-regulation and employment laws, that actively prevent growth and, therefore, prosperity and employment in the EU and the UK. There is no evidence of growth in the eurozone, except in Germany, and it is insisting on conditions that would have to be complied with, but given the state of the other European countries, the evidence suggests that that will not succeed.

The sovereign debt of many eurozone member states, including the original PIGS—Portugal, Italy, Greece and Spain—is evidence enough. They have no prospect of retrieving the situation without growth, but that will come only with, among other things, the repeal of social and employment laws, redundancy laws and other impediments to increasing the prosperity of small and medium-sized businesses, which need the oxygen and space to grow. We also must have structural renegotiation.

There is a certainty that the eurozone will not be a trading entity, and therefore our own stability will not be enhanced by its fiscal union and economic governance. There will be further debt erises, followed by the need for further monumental bail-outs, but there will be no money to pay for them, Germany's conditions will not be met and there will be a dangerous and chaotic fiscal union within the eurozone. It would be better to recognise that immediately. When the implosion comes, there may even be a greater probability of the rise of the far right or the far left, because the electorates of Germany and other contributors will simply not put up with the burdens they would be expected to carry under such a debt transfer union.

As far as the UK is concerned, the solidarity in relation to the single market within the eurozone would lead to eurozone countries that are part of the fiscal union voting together against us. Professor Roland Vaubel of Mannheim university indicated in his article on raising rivals' costs and regulatory collusion that that would do immense damage to our ability to compete, and the single market would be in disarray.

Apart from that, the United Kingdom's trade deficit with the rest of the European Union increased by £40 billion in the last year alone, and would be even worse with fiscal union in the eurozone. Our trade deficit with the eurozone increased by £34 billion last year. The eurozone's zero growth undermines our growth and, according to the British Chambers of Commerce, EU regulations cost us no less than £8 billion a year. The whole project has failed, and must be structurally and fundamentally renegotiated. Acquiescence in this has left us compromised. The coalition's advocacy of fiscal union is a grave misjudgement. Indeed, fiscal union within the eurozone would mean solidarity between those 17 member states, and we would be outvoted by 213 votes to 132.

In a seminal article on the failure of the euro, Martin Wolf of the *Financial Times* said on Wednesday 19 October that fiscal union is not the answer, and that

"if creditworthy members were to transfer resources to the uncreditworthy on a large enough scale, the eurozone might be kept together. But, even if such a policy could be sustained (which is unlikely), it would turn southern Europe into a greater Mezzogiorno. That would be a calamitous outcome of European monetary integration"—

and of course Germany would not bail out everybody anyway. Agreeing to, let alone promoting, fiscal union is short-termism at its worst. Acquiescing in the determination of France and Germany, with whom our relations are increasingly difficult, to maintain the political will of the union, will lead to the predominance of Germany, which in turn will be faced with monumental difficulties in its hopeless struggle to maintain an unworkable eurozone.

Germany benefits enormously from the European Union for one reason: its investment in other countries. In the past 10 years, German unit labour costs have gone up by only 2%, but the average of those costs for all the other member states put together have increased by no less than 25%. Furthermore, the justification for the coalition Government is said to be the reduction of the deficit. That will not be reduced without growth when 50% of our trading is with a moribund Europe, and bearing in mind the trade deficit that we carry with the rest of Europe.

We are at a critical crossroads, and the Government are taking the wrong turn by endorsing fiscal union and creating two Europes without renegotiating the treaties. We need an association of nation states, led by our Prime Minister in his negotiations at the summit to come. Allowing eurozone member states to go ahead towards fiscal union will create two Europes, to which we would remain bound by treaty and law, although both would be built on sand. It would have profound economic, political and constitutional consequences for UK vital interests, fundamentally changing the UK's relationship with the whole of the European Union, not only our relationship with the eurozone. We must have a referendum in the light of such a profound change in our political relationship with Europe. Indeed, the Prime Minister said yesterday that we must have fundamental reform, and I believe that that requires a referendum.

The proposals for European economic government require a referendum. Against that background, which involves a fundamental change in the United Kingdom's relationship with the European Union, and the creation of a critical mass of a fiscal union, it is impossible to conceive that there will be anything other than irretrievable damage to the United Kingdom. We have had riots, protests, crisis in the PIGS countries, the failed Lisbon agenda, over-regulation, low growth, and the breaking of rules—and fiscal union will not prevent further monumental bail-outs. The bottom line is that that does not work. There will be political upheaval in other countries in the eurozone, and all this can be avoided as we speak.

On the single market, the Deputy Prime Minister has specifically ruled out any repatriation of powers, and the Liberal Democrats effectively have a stranglehold over any change in the European treaties. That is what largely lies at the root of what happened last night. We need only look at the impossible trade balance that I have described, which is massively destroying British businesses and British jobs. When I asked the Prime Minister in the Liaison Committee if there would be a treaty to underpin the new arrangements, he said that there would not be a treaty as far as he was aware. In fact, of course, we now know that there will be.

So where did things go wrong? The European Union Act got it badly wrong, because section 4 says that there will not be a referendum where there is a eurozone-only exercise of competence. The fact is that we must have a referendum for all the reasons that I have given.

3.45 pm

Mr Denis MacShane (Rotherham) (Lab): My speech last night consisted of six words. I may take a little more time today, although I will try not to take the full 10 minutes, and it is certainly not my intention to divide the House.

I rise in opposition to this Bill, and in wonderment and admiration for the extraordinary chutzpah of the hon. Member for Stone (Mr Cash) in introducing it; I mean that in a flattering sense. He regularly lectures the House on his objections to anyone from Europe in any way commenting on, or having a view on any aspect of, British affairs, yet the Bill says that there should be a referendum in this country if the members of the eurozone decide to move forward to an agreement on economic governance or on fiscal union. I think they will consider that to be a wonderful example of English irony—the notion that we should have a referendum to tell them whether they might move to a stronger or alternative system of governance. It is about time that we stopped lecturing the rest of Europe on what to do and got our own house in order. This country, with zero growth, rising unemployment, the highest inflation in Europe and a rising public debt and deficit, is in no position to tell any other European country what to do. We are part of the Euro-problem and we have to contribute to being part of the Euro-solution—and this Bill certainly does not so do.

That said, I share the hon. Gentleman's expressions of concern, which I raised earlier in questions, about the Chancellor of the Exchequer's remarkable insouciance—I think it is shared by the Prime Minister—in saying that there should be fiscal union and a single economic governance for about 75% of the EU economy. Throughout British history, we have opposed the notion of any single dominant European power, whether it is a religious power, a single state, an ideology such as fascism or communism, or one single trading or commercial model. We have liked Europe to move in different ways at different speeds so that Britain can find the interstices in which to make a profit and gain political support. But now we have our Chancellor of the Exchequer, and a Conservative Eurosceptic at that, calling for the creation of a European hegemon. The minds of all our historians and previous statesmen would boggle at that proposition. To that extent, I am with the hon. Member for Stone, because he brings these arguments to bear.

Right now, the Chancellor of the Exchequer is going in front of the European Court of Justice to insist on the French proposition that all eurozone bond trading should take place within the eurozone itself. That is a protectionist smash-and-grab raid on a huge chunk of the money that the City makes, and makes more efficiently and effectively than any other financial centre. So our Eurosceptic Chancellor is praying in aid the European Court of Justice against a proposition which, if carried through, could do serious damage to the UK.

Fiscal union conjures up the concept of a single unitary Europe. The United States is a fiscal union. California is bankrupt, but it does not stop using the dollar. New York was bankrupt in the 1970s and did not stop using the dollar. American states have different taxes, different industrial, employment and labour laws, and different investment policies. The use of a common currency is not the same as common policy. We certainly need stricter rules, and I think we all accept that.

Equally, we have to say to our German friends—we should be in this discussion—that not every European country can run a balance of trade surplus. It is economically illiterate to proclaim that. The European Union is a transfer union. We have been transferring wealth to Germany for the past 50 or 60 years. If we all

[Mr Denis MacShane]

stopped buying Mercedes and BMWs and bought Kias or cars made in India, the Germans would be the first to complain. We have to say gently to our German friends and other creditor nations such as China, which make a fortune from European consumption, "You have to be part of the solution as well."

We also have to say to the European Central Bank, "Stop fighting the wars of yesteryear." It is locked in a permanent struggle, like Moriarty against Sherlock Holmes at Reichenbach or Voldemort against Harry Potter, to curb inflation at all costs. Right now, we need more demand in our economy and we are not getting it from the ECB.

I am happy to support stronger economic governance. It allows variable tax-and-spend policies. One can spend a lot and tax a lot, provided that one remains in equilibrium. Our Nordic friends, on the whole, have maintained that policy. This does not mean a single tax rate or a single public expenditure rate. Those are still matters for sovereign Parliaments, even in a system of fiscal union and economic governance.

We ought to understand that it is the purpose of the European Union not to construct a fiscal union heaven, but to protect us—including this country—from the disintegrating hell of a Latin Americanised Europe, where every country maintains its currency against every other currency and its trade policy against every other trade policy. If we revert to 27 competing currencies, let us not imagine for one second that the single market will be maintained.

I would prefer it if it was our Prime Minister, Chancellor or Foreign Secretary making these points, rather than a humble and irrelevant Back Bencher like me. It is vital that Britain connects and engages again. I do not want to enter into curious political alliances with failed parties in Poland, Latvia or the Czech Republic, like at the Council of Europe, which we will debate again on Thursday, where our Conservative colleagues sit with the Kremlin-appointed Putin nominees, rather than work with likeminded centre-right parties. We have a serious political problem in our entire approach to Europe.

The Prime Minister, I presume, will make a report after the summit meeting tomorrow. On Thursday, we will be back to discussing the Council of Europe and the European Court of Human Rights. He will have a little break at the Commonwealth Heads of Government conference. I would like him to persuade most of our Commonwealth allies and partners, who have far more protectionist policies against British exports of goods and services than any European country, that they should be opening their markets. He will then return to the kinds of scenes that we saw yesterday.

I am sorry, Mr Speaker, if these few remarks in opposition to the Bill have been a little longer than my speech last night. I promise that the next time we discuss Europe, I shall try to be silent or to speak in fewer words than I used last night.

Question put and agreed to.

Ordered,

That Mr William Cash, Mr Bernard Jenkin, Mr John Whittingdale, Mr John Redwood, Geoffrey Clifton-Brown, Mr Greg Knight, Mr Graham Stuart, Mr Richard Shepherd, Jacob Rees-Mogg, Chris Heaton-Harris, Zac Goldsmith and Mr Peter Bone present the Bill.

Mr William Cash accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 20 January 2012, and to be printed (Bill 239).

Public Bodies Bill [*Lords*] (Programme) (No. 2)

3.55 pm

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): I beg to move,

That the Order of 12 July 2011 (Public Bodies Bill [*Lords*] (Programme)) be varied as follows—

1. Paragraphs 4 and 5 of the Order shall be omitted.

2. Proceedings on Consideration shall be taken in the order shown in the first column of the following Table.

3. The proceedings shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

TABLE

Proceedings	*Time for conclusion of proceedings*
New Clauses; new Schedules; amendments to Clause 1 and Schedule 1; amendments to Clause 2 and Schedule 2; amendments to Clause 3 and Schedule 3; amendments to Clause 4 and Schedule 4.	7.45 pm
Amendments to Clause 5 and Schedule 5; amendments to Clauses 6 to 27; amendments to Schedule 6; amendments to Clauses 28 to 35; remaining proceedings on Consideration.	9.00 pm

4. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at 10.00 pm at today's sitting.

Mark Reckless (Rochester and Strood) (Con): On a point of order, Mr Speaker. The Prime Minister said yesterday that if there were any treaty change to shore up the euro, we should press for the repatriation of social and employment policy. Given that he has just been completely contradicted by his Europe Minister, could you advise us how we might clarify Government policy in that important area?

Mr Speaker: I have known the hon. Gentleman since long before his election to this House last year—indeed, for the best part of two decades—and I know of no one who surpasses him in ingenuity. I trust that he will deploy his ingenuity through the use of the Order Paper and other mechanisms in order further to convey his own views and to highlight his concerns. I think the Deputy Leader of the House may now continue with his oration.

Mr Heath: I am most grateful, Mr Speaker. I think I can safely assume that that point of order was not related to the programme motion in respect of the Public Bodies Bill.

It is important that I first pay tribute to both the Chairs of the Public Bill Committee, the hon. Members for Southend West (Mr Amess) and for Glasgow North West (John Robertson), and my fellow members of the Committee. It scrutinised the Bill rigorously, but with good humour and professionalism that meant we were able to conclude consideration a full day ahead of schedule. It was a joy to serve on the Committee.

I also remind the House, because it is relevant to the programme motion, that the Bill is paving legislation. Although it is right and proper that we consider the inclusion of specific bodies in the Bill, as we did in Committee, there will be a further chance for the House to scrutinise its effect on particular bodies when the necessary orders are taken through the House, after the Bill has, as I hope, received Royal Assent.

The motion has been tabled to allow the debate to take place with schedules grouped alongside their associated clauses, as was the case in Committee. Following discussions with the usual channels, the use of a knife at 7.45 pm was agreed to, to facilitate debate on clauses and schedules of significant interest. There is a further change from our discussions in Committee, in that we are happily joined by some of our colleague Ministers from relevant Departments, who will be able to explain in far better detail than I could muster the consequences of the Bill's proposals on their Departments.

I hope that the House will be able to come quickly to a decision on the motion and proceed with the Report stage of this important Bill. I commend the motion to the House.

3.58 pm

Jon Trickett (Hemsworth) (Lab): There will be time later to pay tribute to the Chairs and other members of the Public Bill Committee, if and when we get to Third Reading. First, we have in front of us the programme motion. It is perfectly true that, as the Deputy Leader of the House has just said, the Committee concluded its deliberations somewhat earlier than had been predicted, but we did so on a clear undertaking from Ministers that no significant amendments would be brought forward, other than technical amendments. We therefore felt it appropriate not to continue to the final Thursday.

The Opposition object to the programme motion. I have no doubt that you, Mr Speaker, the Clerks and even Ministers have done their best to accommodate some of the key debates that arise from Committee—we are particularly thrilled that we will have a proper debate on the chief coroner, which is an important matter—but the process remains totally unsatisfactory, because at no stage has it allowed proper consultation on or scrutiny of the Bill.

You will no doubt remember, Mr Speaker, because you have a compendious memory, that the Opposition pressed the programme motion to a Division on Second Reading and in Committee. Given the scale of the changes made to the Bill in the other place, we thought it important to provide the opportunity for witnesses to come forward to make representations to the Committee, so that we could consider in detail their points of view.

The Bill changed fundamentally in the other place, and witnesses—above all, those from the Royal British Legion—should have had their views on the chief coroner heard by Ministers, shadow Ministers and Back Benchers in Committee. Similarly, many tens of thousands of quango employees, whose futures are being discussed—indeed, they are in jeopardy—might well have wanted to come forward to give their points of view. Finally, many users and clients of the services provided by quangos might also have wanted the opportunity to make representations to the Committee. They were all

[Jon Trickett]

denied, which was a fundamental mistake, particularly in view of the scale of the changes that the Government envisage.

Jonathan Ashworth (Leicester South) (Lab): On that point, my hon. Friend will be aware that many people who work in those public bodies are very concerned about TUPE arrangements and feel that the arrangements in the Bill are not strong enough. It would have been good to hear from them in Committee and to get a chance to debate those issues in full then and today.

Jon Trickett: I totally understand and agree with my hon. Friend. The TUPE provisions of the Bill are covered by the programme motion, but the only way we can arrive at discussion of them is by compressing the debate on the chief coroner proposal, which I fear could be substantial given the scale of the concern in the country.

The Opposition pressed programme motions to a Division in the House and in Committee, but the Government then told us that debate on Report would take place next Tuesday, which would have allowed time to consult stakeholders and others. On Thursday, it was suddenly decided that the debate would be squeezed in today instead. That left all the stakeholders—organisations, clients, employees and everybody else concerned with quangos—only a few working hours while the House was sitting to make representations and to suggest amendments. Thus we saw the list of amendments only yesterday.

Clearly, there has been no opportunity to consult widely on the nature of the amendments. However, the most disturbing thing is that 30 of the 62 amendments are Government amendments, some of which are far beyond merely technical amendments. Frankly, it is reprehensible that things have been handled in that way.

Mr Mark Williams (Ceredigion) (LD): Does the hon. Gentleman appreciate that the problem was compounded by the fact that the business was announced when a large number of Wales MPs, who have a great interest in S4C, were at the Welsh Grand Committee in Wrexham, and therefore could not table amendments without making specific arrangements?

Jon Trickett: I was not aware of that. It is clear that S4C is a major issue in Wales. It was debated at some length but not comprehensively in Committee, and the House therefore deserved proper notice so that it could debate the provisions. It will not do for the Minister simply to say, "Well, you had a debate in Committee, so it is okay to proceed at short notice to a debate on the Floor of the House." The reason that it will not do is that many thousands of people in Wales will have listened to his arguments, might have been persuaded by some of them but not by others and would have wanted to make representations to the House before today's debate. However, the timing has been so compressed that it has been impossible to listen to the views of people in Wales and elsewhere.

We now have five hours to discuss the fate of several hugely important organisations, which shows that the Government had no interest in consultation or scrutiny of the Bill. Do they think it appropriate to engage in what can only be represented as a shambolic process, given that such important issues are at stake? The bodies involved include the Agricultural Wages Board, which protects 152,000 low-paid workers in England and Wales; the Youth Justice Board, which oversees the interaction between youth organisations and ensures that young people are properly protected when taken into custody, and without which it would have been nearly impossible to open the courts on a 24-hour basis during the August disturbances; S4C, which we have just mentioned; and the TUPE arrangements, which my hon. Friend the Member for Leicester South (Jonathan Ashworth) mentioned. All those things are vastly important, and debate on them ought not to be compressed into the time available this afternoon.

Furthermore, there is the matter of the chief coroner, about which I have no doubt we will hear more. The House should have had the opportunity to reflect on the arguments made in Committee and to listen to the bereaved families and people who have lost loved ones who have had experience of the coronial service. We have not had the time to listen to their representations, however, and now we have a maximum of one and a quarter hours to debate those issues. I do not think that the programme motion allows us to deal with these matters appropriately.

Other issues are not programmed for debate at all, such as the Equality and Human Rights Commission, which is important to human rights in our country, the regional development agencies and the Human Fertilisation and Embryology Authority. We could have discussed all those bodies had we been given enough time.

These are not minor issues. The Bill's ramifications have not been properly scrutinised, but they could well be huge. The Bill effectively gives powers to Ministers to do almost whatever they want with the quangos named in it. Their powers would stifle the ability of most of those organisations to work from day to day, leaving the public without the necessary services and employees uncertain about their future. No doubt Ministers will say, "All of this is simply enabling legislation and therefore the programme motion is fine", but given how they have handled the programming, the problems with the Bill and the lack of consultation, I have no confidence that the processes to be set in train if the Bill becomes an Act will be satisfactory. I therefore put it on the record that we oppose the programme motion. As the House knows, the problem is that if we push the matter to a vote, it will take time away from the debate, and therefore I shall not seek to divide the House. However, that in no way means that I think that the programme motion is adequate.

4.8 pm

Charlie Elphicke (Dover) (Con): I rise to observe that the programme motion does not allow sufficient time for discussion of Government amendments 47 and 48. It would have been good to have had time to ensure a full discussion of the matter, because, on a rare occasion that I wish to raise an important constituency issue—concerning the future of the Dover harbour board—I would have been able to make the case for Ministers reconsidering the amendments. With that time in the programme motion, I would have been able to speak on the matter, without it being crowded out by the debate on the chief coroner, and to have explained to Ministers how, in a statutory public referendum in my constituency, 98% of people voted in favour of the people's port as opposed to a sell-off of the port of Dover.

There would also have been time to tell the House that the unions, business and the community had united and were in agreement on this matter, and to acquaint the House with the fact that seeing that kind of thing happening in public life is actually the most incredible rarity. There might also have been time to tell the House of the unity around the desire for the big society to be built in Dover, where our English border is to be found, and where we keep watch upon our friends across the channel, in the European Union and elsewhere. It would have been most welcome to have had time to tell the House that, rather than carrying out the sell-off, it would be really great to have a community-owned port and a flagship landmark of the big society.

Jonathan Ashworth: I agree with the hon. Gentleman. May I put it on record that he spoke eloquently and convincingly to his amendment in Committee? How disappointed was he that he won his argument only because of the support he received from Labour Members, and despite limited support from those on his own side?

Charlie Elphicke: I thank the hon. Gentleman for that helpful intervention. As so often happens, he sparkles in the Chamber and puts across his fabulous point of view in trying to give me problems with my own party. Had there been time, I would have explained to him that, just as Rome was not built in a day, so the port of Dover was not sold—[HON. MEMBERS: "Sold?"] I mean that it was not saved in a day. Work in progress takes a long time, and it is not always easy to get straight into the harbour to safeguard oneself from the storm. I am confident, however, that the ship is heading in the right direction—

Stephen Phillips (Sleaford and North Hykeham) (Con): The ship of state.

Charlie Elphicke: Indeed, the ship of state is moving in the right direction, and I am confident that a safe harbour and place of safety will be found, and that the people of Dover will find great contentment with the end result. I am grateful to have had the time to make those few points, and to make the case for my constituency.

4.12 pm

Frank Dobson (Holborn and St Pancras) (Lab): I congratulate the hon. Member for Dover (Charlie Elphicke) on being better off than many Opposition Members and perhaps some of his own colleagues, in that his proposals have been selected for debate, even though they might not be reached.

I want to make the general point that this whole approach is a disgrace and an insult to previous Members of the House of Commons who, over many hours, days and years, laboured over the establishment of the various public bodies in question. We are now being asked to dispose of them in an afternoon. I am particularly interested in the fate of the Human Fertilisation and Embryology Authority, and I have checked the various debates in the House of Commons on its original establishment and on its improvement. Those debates took up more time than this Bill is taking to shift it around, mess it about and do away with it and a large number of other useful public bodies.

I do not think that this is the way to legislate. It is a disgrace, given that the Prime Minister and the Deputy Prime Minister prated on about a new approach to government. I think that everyone expected a more liberal—with a small l—approach, but it has turned out to be a more absolutist one. I believe that Members of both sides of the House will eventually realise that it is a good idea to allow enough time to debate the things that need to be debated.

4.14 pm

Valerie Vaz (Walsall South) (Lab): May I add my voice to those of my right hon. Friend the Member for Holborn and St Pancras (Frank Dobson) and the hon. Member for Dover (Charlie Elphicke), while supporting what my hon. Friend the Member for Hemsworth (Jon Trickett) has said? This is a shambles. The Human Fertilisation and Embryology Authority was not even consulted about whether it should appear in the Bill and the same goes for the Human Tissue Authority. I, too, want to express my disappointment at the fact that amendments on these issues have not been selected for debate. More importantly, provisions on the Equality and Human Rights Commission are not included, yet it does amazing and important work on equality issues.

I thus add my voice of concern about these proceedings, which seem to mimic the passage of the Bill generally. Yes, I agree with the Minister that we had a good time in Committee, but we managed to air the issues that were a matter of concern. We are talking about huge swathes of public servants who are carrying out their jobs without understanding what is going to happen to them. My right hon. Friend the Member for Holborn and St Pancras was right about the Human Fertilisation and Embryology Authority and it also applies to the Human Tissue Authority. There are some parents in the Gallery whose children's organs have been removed without consent. Such institutions are the guardians of consent regarding human tissue and the protection of the embryo. I support what my hon. Friend the Member for Hemsworth said; we should have been allowed time to debate such issues.

4.16 pm

Hywel Williams (Arfon) (PC): Briefly, I echo the thoughts of hon. Members of all parties about the short time available for debate. My particular interest is in the debate on S4C, although the debates on agricultural wages and rural affairs are also substantial, to which I know hon. Members from Wales are keen to contribute. I support them in that intention.

I am glad to say that we had a good debate on S4C in Committee. I note that there were positive contributions from Members of all parties, and I am grateful for those extended debates. However, as already noted by the hon. Member for Ceredigion (Mr Williams), there have been subsequent changes, not least the fact that Members from Wales were up in Wrexham at the time when we could have tabled amendments on Report. In the meantime, there has been further discussion between S4C, the BBC and the Government, and only today has the substantial agreement between the BBC and S4C been published. I have had the opportunity to look at it, but I know that other hon. Members have not had time to do so, let alone digest it.

Susan Elan Jones (Clwyd South) (Lab): Is the hon. Gentleman aware that throughout discussion of the Public Bodies Bill—whether in Committee or anywhere else—fewer than four hours have been spent debating S4C and that, although there might have been substantial coverage and publicity, that happened thanks only to the energy and enthusiasm of Welsh language campaigners across Wales and had absolutely nothing to do with the shambolic performance of the Government in this place?

Hywel Williams: I rather agree with the hon. Lady. I would add that I was fortunate to get a Westminster Hall debate on S4C for half an hour, which was well attended and a contribution to the debate. The problem that I have, as I have said, is that further significant changes have occurred. Given that the amendments on S4C are the last to be dealt with before 7.45 pm, I am concerned that we might not reach them. In that case, I will take my own advice and shut up.

Glyn Davies (Montgomeryshire) (Con) *rose—*

Mr Speaker: Order. It is not possible to intervene on someone who has finished his speech. I think I am correct that the hon. Gentleman has finished.

4.18 pm

John McDonnell (Hayes and Harlington) (Lab): It is inappropriate and against the rules to criticise the Speaker's selection of amendments, but may I say that that selection is often influenced by the availability of time in which to debate those amendments? A number of staff of different organisations will be disappointed to know that we are not having a debate on the Floor of the House on amendments dealing with the Equality and Human Rights Commission or the Administrative Justice and Tribunals Council.

Fiona Mactaggart (Slough) (Lab): I have been struck by the fact that the Government are not only being bullies in the amount of time allotted for debate on the subject of the Equality and Human Rights Commission, but have nationalised—it is the only word I can use—the commission's grant-giving power, showing that even without this Bill they can behave like Henry VIII.

John McDonnell: The problem for those of us who are not members of Bill Committees as a rule—goodness knows why not—is that such points can only be made to them at this stage in the process.

Let me say briefly—because I do not want to take up any more time—that, although the TUPE amendments that I tabled are critical, it seems highly likely that they will not be reached because of the timetable motion. They are critical because tens of thousands of staff will be transferred from one body to another, and eventually, regrettably, many will lose their jobs. In Committee the Minister read some further commitments from the Government into the record, but it would be much more valuable if we had a brief opportunity to engage in further discussion on the Floor of the House, and if the Minister could read the letter that he sent to me today into the record as well. That would provide some comfort and security for the staff members whose positions are under threat.

I urge the House to enable us to reach those amendments, if only for a few minutes, so that more clarity can be given to public servants whom the Bill will affect.

4.20 pm

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Some political gamesmanship took place during Thursday's business statement when the debate on the Bill's remaining stages was moved forward by a week. That left only 24 hours for Members to table amendments. At the time only one had been tabled, but over the past few days Members have made a gigantic effort to table a number of further amendments, which demonstrates the extent of the continuing concern about the Bill.

Of the 35 amendments that we shall debate today, 21 are Government amendments. Amendments that I tabled dealing with unfinished business relating to consumer advocacy in Wales were not selected owing to the shortage of Government time allocated to the Bill. It is clear that a single day's debate will not be sufficient.

4.21 pm

Mr Heath: The hon. Member for Hemsworth (Jon Trickett) tried very hard to persuade the House that this was an outrageous proposal from the Government on the grounds of lack of opportunity to consult, but written into the Bill at every stage is a statutory duty to consult on proposals before they become substantive, so consultation is not an issue.

The right hon. Member for Holborn and St Pancras (Frank Dobson) and the hon. Member for Walsall South (Valerie Vaz) were concerned about matters that had not been selected for debate. It is not the Government who select amendments for debate; we can only table programme motions relating to the selection that is before us.

I am grateful for the way in which the hon. Member for Arfon (Hywel Williams) presented the important case relating to Sianel Pedwar Cymru in Committee, and I hope that we shall have yet another opportunity to discuss those matters today. As the hon. Gentleman said, and as I think most right-minded people will recognise, progress has been made during our consideration of the Bill, and we are keen to ensure that the outcome is right for S4C.

The hon. Member for Hayes and Harlington (John McDonnell) raised an important point about TUPE. Let me say, in case his amendments are not reached, that I will ask the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Ruislip, Northwood and Pinner (Mr Hurd)—who gave him all the assurances that could be given—to place his letter in the Library, so that it is on the record and there can be no doubt that those assurances were given.

I believe that we have an opportunity to engage in substantive debates this afternoon on an important Bill which, despite being paving legislation, opens up the possibility of further debate at a later stage, and I think that we should not delay progress any further.

Question put and agreed to.

Public Bodies Bill [*Lords*]

Consideration of Bill, as amended in the Public Bill Committee

[Relevant documents: The Fifth Report from the Public Administration Select Committee, Smaller Government: Shrinking the Quango State, HC 537, and the Government response, Cm 8044.]

New Clause 1

DELEGATION OF FUNCTIONS BY ENVIRONMENT AGENCY

'(1) The Environment Agency may make arrangements with a person exercising Welsh environmental functions who is not a cross-border operator for that person to exercise a non-devolved function of the Agency.

(2) The consent of the Secretary of State and the Welsh Ministers is required for arrangements under subsection (1).

(3) The Secretary of State may by order with the consent of the Welsh Ministers make provision about how the function of making arrangements under subsection (1) is to be discharged (including provision about the extent to which a fee may be charged in respect of anything done under the arrangements).

(4) An order under subsection (3) is subject to annulment in pursuance of a resolution of either House of Parliament.

(5) For the purposes of subsection (1) a person is not a cross-border operator merely because functions exercisable in or with respect to England have been delegated to that person.'.—*(Mr Hurd.)*

Brought up, and read the First time.

4.24 pm

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following:

Government new clause 2—*Delegation of Welsh Environmental Functions.*

Government new clause 3—*Shared services.*

Government new clause 4—*Shared services: Forestry Commissioners.*

Government amendments 5, 6, 12 to 20, 7, 21 to 25, 8, 9, 26, 27, 10, 28, 11 and 29.

Mr Hurd: This is a long list of amendments, but I hope we can deal with it quickly, as I sense that the mood of the House is in favour of moving on swiftly to what might well be more contentious issues. First however, it would be wrong of me not to join the Deputy Leader of the House in thanking the members of what was a very good Committee for their work and the spirit in which they undertook it.

This group of Government amendments relates to four aspects of the Bill, and to matters which I hope the House will agree are sensible and uncontentious. New clauses 3 and 4 and amendments 25 to 29 will provide powers to enable certain bodies carrying out public functions—specifically the Environment Agency, Natural England and Royal Botanic Gardens, Kew, as well as the Joint Nature Conservation Committee, the Marine Management Organisation and internal drainage boards—to share back-office functions with other bodies. The powers also apply to other bodies carrying out Welsh environmental functions.

New clauses 1 and 2 and amendments 12 and 16 to 20 will provide powers to enable the Environment Agency to delegate non-devolved functions to Welsh environmental bodies. They also incorporate provisions currently in clause 16 relating to delegation of Welsh environmental functions. Amendments 5 and 8 to 11 will extend the definition of "eligible persons" in clause 1(3) to include co-operative and community benefit societies and charitable incorporated organisations. Finally, amendments 6, 7, 13 to 15 and 21 to 24 are minor and technical drafting amendments.

Turning first—and briefly—to the issue of shared services, there is a move across government to reduce the cost of back-office functions such as human resources, IT and payment processing. Freeing up bodies to share back-office services is an important way of rationalising and delivering economies of scale. The Department for Environment, Food and Rural Affairs has some large non-departmental public bodies, such as the Environment Agency, which could serve as centres for delivering back-office services to other bodies in its network. However, these bodies do not currently have clear legal powers to be able to provide such services. That is because providing these back-office services to others is not always incidental or related to their main or primary purpose. The aim of these amendments is to provide a clear power so that, for example, the Environment Agency could provide back-office services such as accounting services to a body such as Royal Botanic Gardens, Kew, or operate contracts for vehicles for the DEFRA network. That would be beneficial in efficiency and economic terms, and there are likely to be many more such examples as sharing of services becomes more common.

Mr Kevan Jones (North Durham) (Lab): I understand why these amendments have been tabled, but it is not a God-given right that the organisations in question will win these contracts. Surely some of the contracts will be sufficiently large to have to be put out under the *Official Journal of the European Union*—or OJEU—notices.

Mr Hurd: That is a separate issue. We are trying to make the powers clearer so that more circumstances arise whereby such bodies can share services and seek efficiencies. These amendments will therefore enable the Environment Agency—

Mr Jones: The hon. Gentleman did not answer my question. The fact of the matter is that these measures will give the powers he describes, but they do not necessarily mean that the organisations in question will be able to circumvent European competition law in respect of contracts they put out to tender.

Mr Hurd: The hon. Gentleman is right to say that everything will be subject to appropriate procurement regulations, but the purpose of these amendments is to make it easier for such bodies to share services.

These amendments will therefore enable the Environment Agency, Natural England, the Joint Nature Conservation Committee, the Marine Management Organisation and internal drainage boards, which are bodies performing public functions, to provide back-office functions to other bodies carrying out public functions. The Bill already provides a similar power for Welsh environmental bodies, so this step will provide parity for these English bodies.

[Mr Hurd]

The amendments also carry forward arrangements in clause 16 whereby forestry commissioners may share services with Welsh environmental bodies carrying out functions in Wales. This power does not extend to the Forestry Commission making arrangements with non-Welsh bodies. As this is an enabling power, it will be used only where a body listed wished to use it, and where it would be financially beneficial to share back-office services. Also, it could not be exercised without the consent of the relevant Ministers. This power is in many respects similar to the provision in the Flood and Water Management Act 2010 enabling internal drainage boards to agree that one should provide back-office services to another. In debate, this was warmly welcomed by all parties. As in the case of these amendments, the express purpose was to make the delivery of administrative functions more effective and cheaper. I hope that right hon. and hon. Members will agree that, with public funding under severe constraints, it is sensible to ensure that bodies are able to share services, thus leading to increased efficiency and potential savings in the delivery of back-office functions.

4.30 pm

On the delegation of functions, the amendments will correct a technical issue relating to cross-border powers affecting the Environment Agency. The Bill provides for the devolved and non-devolved functions of the Environment Agency, which covers both England and Wales, to be split and for a separate Welsh environmental body to be created. Although the Bill allows Welsh environmental bodies to delegate devolved functions to the Environment Agency, it would not allow the Environment Agency to delegate non-devolved functions to Welsh environmental bodies. That means, in effect, that the Environment Agency would not be able to apply existing flexibilities to delegate to its Welsh counterparts. That could have significant effects in an emergency, such as flooding in the border area, and in specialist areas, such as management of the Dee estuary. We are therefore seeking to correct this gap through these amendments to ensure that the Environment Agency can delegate non-devolved, as well as devolved, functions to the new Welsh environmental body.

Roger Williams (Brecon and Radnorshire) (LD): We have only recently had sight of these new clauses. The water framework directive, which needs to be in place by 2015, deals with river catchment areas and so rivers such as the Wye and the Severn would have both a Welsh and an English context. Do these new clauses enable these bodies to work better together to achieve the desired outcome?

Mr Hurd: In large part these measures are designed to make existing flexible arrangements clearer, precisely to make more effective the sort of cross-border work needed in exactly the type of situations to which the hon. Gentleman refers.

As I was saying, the amendments are similar to the current provisions relating to the delegation of Welsh environmental functions in clause 16. The amendments delete those provisions and incorporate them in a slightly revised clause so that the delegation of functions is covered in concurrent clauses.

Amendments 5 and 8 to 11 will extend the definition in clause 1(3) of "eligible persons" to whom the functions of a body or office holder can be transferred under the general order-making powers of the Bill and to whom property can be transferred under clause 24 to include co-operatives, community benefit societies and charitable incorporated organisations. This issue was raised in Committee, not least by my hon. Friend the Member for Dover (Charlie Elphicke), at which point I made a commitment to consider how alternative models such as co-operatives and community benefit societies could be supported to deliver public services, where appropriate. It has always been the intent behind this section of the Bill to ensure that the reform of public bodies is effective by enabling the transfer of functions to a range of persons, so I am therefore pleased to be able to introduce these amendments.

In addition to the provision on co-operatives and community benefit societies, there is now an amendment to include charitable incorporated organisations. Although such charities are yet to come into being since being introduced by the Charities Act 2006, work is well under way and we have taken the opportunity to allow future orders made under the Bill to transfer functions to them. I would like to assure the House that, no matter to whom functions are transferred, it is the Minister's responsibility to ensure that proper accountability mechanisms are in place, especially where the body is in receipt of public funds.

Jon Trickett (Hemsworth) (Lab): We very much welcome these new clauses, which were amendments that we proposed at the time and the Minister very fairly said that he would take them away and look at them. I wish to raise one issue about charities. Is he able to explain why he is envisaging a particular form of charitable association which is not yet in existence? He has made some brief comments, but they left us puzzled in Committee.

Mr Hurd: Charities do fall within the scope of the Bill as far as we are concerned. The hon. Gentleman will be aware that the 2006 Act allowed for the introduction of a new type of organisation—a charitable incorporated organisation. We just felt it sensible at this stage, for the avoidance of any doubt, to include such organisations in the Bill.

I know that the House wants to move on, but let me first address amendments 6, 7, 13 to 15 and 21 to 24. These minor and technical drafting amendments clarify and improve certain aspects of the Bill, and I shall briefly explain the changes they make. The amendments to clauses 11 and 20 are simply drafting changes that move measures that are relevant to the procedure for making orders, which are currently in clause 32, to clauses 11 and 20 as that is where the other measures on procedure are found.

Amendments to clauses 14 and 15 clarify that where Welsh Ministers have powers to modify the constitutional arrangements of bodies, in so far as changes may be made to the extent to which a body is accountable to Ministers, this refers to accountability to Welsh Ministers. The changes to clauses 21 and 23 remove any potential confusion regarding the restrictions in those measures. If a Minister cannot create a power to make subordinate legislation, it follows that he cannot "authorise the

creation of" a criminal offence or any of the other powers under clause 21(1). Therefore the removal of the words

"or authorise the creation of"

does not change the effect of the restrictions on ministerial powers.

Nia Griffith (Llanelli) (Lab): Will the Minister explain exactly what consultation he has had with Welsh Government Ministers on the proposals he has outlined this afternoon that will affect Wales?

Mr Hurd: I understand that those consultations have been extensive and I do not think there has been any real criticism regarding a lack of consultation with Welsh Ministers. However, I know that there continues to be a spirited debate about S4C and I sincerely hope and believe that we will have adequate time to return to that issue.

The amendment to clause 22 removes what was a restriction on the power to authorise the delegation of functions to an eligible person, as the power to so authorise was removed in the other place. The reference in clause 22(2)(b) is therefore no longer necessary. Finally, the change to clause 27 is simply a drafting change to make reference to each House of Parliament approving a draft statutory instrument rather than a statutory instrument.

Nia Griffith: First, it must be said that the Opposition have been dismayed at the way in which the Government have introduced a Bill to abolish so many valuable bodies with so many diverse functions. They have all been lumped together in this one Bill, which has been designed to abolish them, and this has afforded very little time for debate. Although we may accept some Government new clauses and amendments to make the outcome of the Bill fit within the devolution settlement and to iron out some anomalies—we understand that those changes are necessary and logical—that does not mean that we are giving unreserved support to the Bill. Far from it. In other words, we would far rather not be starting from here.

We have been confronted with a large number of new clauses and amendments at this very late stage of the Bill. A more appropriate way of dealing with these measures would have been in Committee, having allowed proper time for consultation and debate. Instead, these Government amendments were published only yesterday morning. As the Welsh Assembly is in recess this week, there has been no opportunity for the Opposition to consult Welsh Ministers. Indeed, even if it were not in recess, there would have been an absurdly short period of time for us to consult those Ministers or anyone else who has an interest in these amendments. Let us contrast that approach with the extensive discussions we had in the Committees on the Bills that became the Marine and Coastal Access Act 2009 and the Flood and Water Management Act 2010 about exactly how functions would apply to Wales.

Let me address the four issues to which the Minister has referred. First, on shared services, we need to remember that this is the Minister who only last October tried to explain to charities that they need not worry about TUPE because it would not apply. We can all appreciate the need for savings and the benefits that sharing staff can bring but I am concerned that the Minister is trying to bamboozle us with this measure. I am worried about his understanding of TUPE and the importance of protecting staff if they have to transfer from one place to another, if their functions are transferred, if their job description is changed or if they find themselves doing something that they were not originally appointed to do. I feel that the Government need to take on board the protection that such people should be afforded.

On the Environment Agency and issues such as flooding, of course we appreciate the need for the most appropriate and efficient way to operate. There is already close co-operation on the ground. If we can remove legal barriers to solving any problem in that respect, that is clearly the correct way forward.

Co-operatives have been mentioned, and of course the Opposition have always championed them.

Finally, the technical amendments are clearly consequential, and we therefore accept them in the context of our opposition to the general thrust of the Bill.

Question put and agreed to.

New clause 1 accordingly read a Second time, and added to the Bill.

New Clause 2

DELEGATION OF WELSH ENVIRONMENTAL FUNCTIONS

'(1) A person to whom this section applies may make arrangements with another such person for—

(a) a Welsh environmental function exercised by one to be exercised by the other;

(b) co-operation in relation to the exercise of Welsh environmental functions.

(2) This section applies to—

(a) the Environment Agency,

(b) the Forestry Commissioners, and

(c) a person not falling within paragraph (a) or (b) who exercises a Welsh environmental function.

(3) The Welsh Ministers' consent is required for arrangements under subsection (1).

(4) The Welsh Ministers may by order make provision about how the function of making arrangements under subsection (1) is to be discharged (including provision about the extent to which a fee may be charged in respect of anything done under the arrangements).

(5) An order under subsection (4) is subject to annulment in pursuance of a resolution of the National Assembly for Wales.

(6) The Secretary of State's consent is required for arrangements under subsection (1) involving, or an order under subsection (4) affecting—

(a) the Environment Agency,

(b) the Forestry Commissioners, or

(c) a person not falling within paragraph (a) or (b) who is a cross-border operator.'.—*(Mr Hurd.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 3

SHARED SERVICES

'(1) A person to whom this section applies may make arrangements with any other person to provide administrative, professional or technical services to that person for purposes relating to the exercise of public functions in or as regards England or Wales.

(2) This section applies to—

(a) the Board of Trustees of the Royal Botanic Gardens, Kew;

(b) the Environment Agency;

(c) the Joint Nature Conservation Committee;

(d) an internal drainage board;

(e) the Marine Management Organisation;

(f) Natural England;

(g) a person not falling within paragraphs (a) to (f) who exercises a Welsh environmental function.

(3) The Secretary of State's consent is required for arrangements under subsection (1) involving a person who exercises a non-devolved function (whether or not the person also exercises a Welsh devolved function).

(4) The Secretary of State may by order make provision about how the function of making arrangements in subsection (1) is to be discharged in the case of arrangements made by a person to whom this section applies who exercises a non-devolved function.

(5) An order under subsection (4) requires the consent of the Welsh Ministers if the person referred to in subsection (4) also exercises a Welsh devolved function.

(6) An order under subsection (4) is subject to annulment in pursuance of a resolution of either House of Parliament.

(7) The Welsh Ministers' consent is required for arrangements under subsection (1) involving a person who exercises a Welsh devolved function (whether or not the person also exercises a non-devolved function).

(8) The Welsh Ministers may by order make provision about how the function of making arrangements in subsection (1) is to be discharged in the case of arrangements made by a person to whom this section applies who exercises a Welsh devolved function.

(9) An order under subsection (8) requires the consent of the Secretary of State if the person referred to in subsection (8) also exercises a non-devolved function.

(10) An order under subsection (8) is subject to annulment in pursuance of a resolution of the National Assembly for Wales.

(11) The provision referred to in subsections (4) and (8) includes provision about the extent to which a fee may be charged in respect of anything done under the arrangements.

(12) The power to make arrangements under subsection (1) is without prejudice to any other power of a body to which this section applies to provide services to other persons.'.—*(Mr Hurd.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 4

SHARED SERVICES: FORESTRY COMMISSIONERS

'(1) The Forestry Commissioners may make arrangements with a person who exercises a Welsh environmental function (with or without other functions) to provide administrative, professional or technical services to that person for purposes relating to the exercise of public functions in or as regards Wales.

(2) The Welsh Ministers may by order make provision about how the function of making arrangements under this section is to be discharged (including provision about the extent to which a fee may be charged in respect of anything done under the arrangements).

(3) An order under subsection (2) is subject to annulment in pursuance of a resolution of the National Assembly for Wales.

(4) The Secretary of State's consent is required for—

(a) arrangements under this section, or

(b) an order under subsection (2).

(5) The power to make arrangements under this section is without prejudice to any other power of the Forestry Commissioners to provide services to other persons.'.—*(Mr Hurd.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 7

AGRICULTURAL WAGES

'(1) In section 3 of the Agricultural Wages Act 1948 (power of Agricultural Wages Board to fix wages, holidays and other terms and conditions) the powers and duties of the Agricultural Wages Board are transferred to the Low Pay Commission.

(2) The Low Pay Commission shall establish an advisory board of employer and employee representatives from agricultural and related industries to make recommendations to the commission in fulfilment of its duties under the Agricultural Wages Act 1948.'.—*(Andrew George.)*

Brought up, and read the First time.

Andrew George (St Ives) (LD): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Dawn Primarolo): With this it will be convenient to discuss the following:

New clause 8—*Office of Rural Affairs*—

'(1) The duties of the Commission for Rural Communities contained in section 19 of the Natural Environment and Rural Communities Act 2006 (Representation, advice and monitoring) are to be transferred to a body to be known as the Office of Rural Affairs, which will report to the Secretary of State.'.

New clause 9—*Independent Rural Advocate*—

'(1) The Natural Environment and Rural Communities Act 2006 is amended as follows.

(2) In section 17 (Commission for Rural Communities) for "Commission for Rural Communities" there is substituted "Rural Advocate".

(3) Subsection 17(2) is omitted.

(4) In section 18 (Commission's general purpose) and section 19 (Representation, advice and monitoring) for all references to "Commission for Rural Communities" there is substituted "Rural Advocate".'.

Amendment 32, in schedule 1, page 21, line 11, leave out

'Agricultural Wages Board for England and Wales'.

Amendment 39, in schedule 1, page 21, line 18, leave out 'Commission for Rural Communities,'.

Andrew George: It is a pleasure to follow the previous debate, which was rather more truncated than I was expecting. I wish to emphasise the importance of retaining, under new clause 7, the protections provided by the Agricultural Wages Board, as well as addressing the importance of maintaining, under new clauses 8 and 9, an overarching mechanism—indeed, an independent body—that can advocate on behalf of rural areas. The Agricultural Wages Board was established under the Agricultural Wages Act 1948, but the heritage of that body goes back to 1924. It is an independent body with a statutory obligation to set minimum wages for agricultural workers in England and Wales and powers to determine other terms and conditions, including holidays and sick pay.

4.45 pm

David Wright (Telford) (Lab): Would it not be simpler to remove the Agricultural Wages Board from the list? Rather than coming up with a new scheme or initiative to transfer powers to the Low Pay Commission under new clause 7, we could leave the Agricultural Wages Board out of the Bill and it could continue to do the excellent work that it has done for many years.

Andrew George: I notice that amendment 32 tabled by the hon. Gentleman's colleagues proposes to delete the reference to the Agricultural Wages Board from schedule 1. The reason that I proposed a compromise position in new clause 7 is that I agree with the principle underlying the Bill. It is important for Governments continually to review the justification for the existence of non-departmental public bodies and for us to reflect on the amount of public money expended by a wide variety of quangos.

Where we can amalgamate responsibilities or find ways in which protective regulations, such as those for agricultural workers, can be incorporated in another statutory body rather than abolishing the body altogether, as the Government propose, it is important that we explore that option. That is what I seek to do in new clause 7. The intention and the benefit of my proposal is that the regulations are kept and enforced, but the overhead cost of maintaining an organisation is reduced as a result of that amalgamation.

Mr David Anderson (Blaydon) (Lab): Will the hon. Gentleman explain to the House whether he is speaking on his own behalf or whether that is formal Liberal Democrat policy? Will he tell the House how he expects members of his party to vote tonight?

Andrew George: I was going to remind the House that the proposal to abolish the Agricultural Wages Board was in the Conservative party manifesto, not in the Liberal Democrat manifesto, and the proposal to abolish the Agricultural Wages Board was not in the coalition agreement. The issue should be subject to discussions between the two parties, as well as parliamentary debate and scrutiny.

It has always been my view that one of the great benefits of a coalition is that it puts Parliament on the front foot, whether the Opposition like it or not, and it strengthens Parliament. It means that issues such as this, which cannot be resolved between the two parties through whatever usual channels are now established within the coalition, are subject to quite proper parliamentary scrutiny, and Back-Bench Members of the two parties in the coalition are able to hold those on the coalition Front Bench to account.

Mr Kevan Jones: Is it not the case that the hon. Gentleman and the Liberal Democrats have not been consulted about the abolition of the Agricultural Wages Board, and that his new clause is an attempt to save face with some of his constituents who will be affected by that? He can give the impression that he has fought for them, when later tonight the Government will abolish the Agricultural Wages Board anyway.

Andrew George: It is up to the hon. Gentleman and his colleagues on the very Back Bench of the Labour party to consider the demeanour they wish to adopt in this debate. Given that we share concerns about a relatively small and vulnerable group of about 150,000 isolated rural workers, many of whom are working on the lowest wages possible in that sector, I should have thought that a better demeanour would be to try and build bridges and find ways forward where we can adopt common ground in order to protect those workers, rather than making what I am sorry to say are rather cheap party political points.

Huw Irranca-Davies (Ogmore) (Lab): As a compromise, does new clause 7 weaken in any way the protections for agricultural workers? If so, is that not completely contrary not only to the Liberal Democrats' historical position on the Agricultural Wages Board, but to an early-day motion tabled in 1990 when the last attempt was made to abolish the board? Not only the hon. Gentleman but every Liberal Democrat Member was a signatory to that motion, which stressed that we did not want any weakening of the board whatsoever.

Andrew George: I congratulate the hon. Gentleman on his research, but it must be incorrect because I was not in the House in 1990, so it must have been another date. On the question about the potential weakening of the protections available to agricultural workers, of course, if I thought that the new clause in any way significantly weakened the board's role in protecting agricultural workers and ensuring that they had a decent baseline and a progression, or in any way jeopardised the terms and conditions that have been secured for them over many years, I would accept what the hon. Gentleman says.

I have had discussions with the Low Pay Commission on the issue. All that it will say is that it is up to Parliament to decide what regulations the commission should adopt, but they need to be enforced. Under the present regulations, the Department for Environment, Food and Rural Affairs clearly has the ultimate responsibility for enforcing those.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): The hon. Gentleman says that he has had discussions with the Low Pay Commission on his proposal. In the interests of transparency, what discussions has he had with the Government on this issue, and will he press the new clause to a vote, or is he simply using up House of Commons time?

Andrew George: I see that the demeanour adopted by those on the Back Benches is being adopted by those on the Front Bench, which is regrettable. It is for others to judge, but my concern on the issue has been sustained over a long time. I requested to see the Low Pay Commission and I have discussed the matter with it. Yes, I have had informal chats with Ministers on this issue, because like any other parliamentarian, I wish to clarify what lies behind the Government's proposals, so naturally I have had discussions, but not formal discussions, and the hon. Gentleman is at liberty to explore the matter in the same way.

Huw Irranca-Davies: The hon. Gentleman rightly corrected me: it was in 2000, but I was completely accurate in what I was saying. So may I ask him one more time? If the Minister is unable to reassure him that, in whatever compromise new clause is brought forward, not simply will basic pay be protected, but so will holidays and sick pay, overtime and bereavement leave, rent protection and security of tenure in farm cottages, as they are under the Agricultural Wages Board provisions, will he support the Opposition's amendment, not his new clause?

Andrew George: I agree. I am grateful to the hon. Gentleman for his correction. I was here then and it is for the hon. Gentleman and his party to reflect on why we thought at that stage that the board might have been under threat. I entirely agree with him about the full raft of protections that should be available to agricultural workers. If I thought those protections were being significantly undermined, I would certainly not pursue the new clause in this manner. I emphasise that I do not feel precious about a particular quango; it is the protections I am most concerned about. I hope to hold out an olive branch to Ministers and say to them, "I agree with the principle underlying the Bill, which is to try to rationalise, amalgamate and abolish where that is necessary. Here is an example where we want the protections, but the small quangos that have proliferated can be amalgamated." I am meeting them halfway and saying, "Let's keep these protections."

Simon Hughes (Bermondsey and Old Southwark) (LD): I represent one of the most urban constituencies, but I was brought up in some of the most rural ones. My hon. Friend's new clause seems rightly to probe whether there is a sensible way to look after the low-paid in the agricultural industry without the duplication of quangos. That seems an entirely proper thing to do, and I hope that colleagues on the other side of the House have the same objective.

Andrew George: I did not answer the hon. Member for Harrow West (Mr Thomas), the Opposition spokesman, who asked whether the new clause is intended to be probing or whether I intend to press it to a vote. This is clearly a matter of judgment. My intention is to advance the proposal as a solution that is available to the Government. The Bill is, after all, enabling legislation; it does not actually abolish the Agricultural Wages Board. At some point in the future there will be a framework within which the Government can bring forward a proposal, and we hope that they will genuinely consult upon it and that we will have an opportunity to debate the matter before taking it forward. My intention is to probe the matter. If I receive a deeply unsatisfactory response indicating that the Government have no intention of even considering the retention of any of the protections, or that they intend to drive on as quickly as possible with the abolition of not only the board but the regulations themselves, I will certainly consider pushing the new clause to a vote. I hope that the Minister is listening on that.

Mr Frank Field (Birkenhead) (Lab): The last time the Liberals were in power they established the protection for agricultural workers. It will be a deep and wicked irony if, now that they are back in power, even if sharing it, they played any part in the abolition of that minimum protection. The hon. Gentleman says that his new clause is intended to be probing, but presumably he has probed his own Government. If there is any doubt whatever, I make a plea that he either presses the new clause or supports the Opposition's amendment so that agricultural workers have that minimum protection.

Andrew George: I am grateful to the right hon. Gentleman for his intervention, which follows the theme of others in doubting the sincerity of my purpose, which is obviously a matter for him to judge—*[Interruption.]* Okay, perhaps he does not doubt the sincerity of my intention, but others sitting around him certainly have. I have a genuine intention to retain the protections, but I am not precious about the board. That is the bottom line for me, as set out in the new clause. That is what I am seeking to achieve, because I believe that agricultural workers will be vulnerable if they lose their protections, that they are very isolated and that they have no muscle in the negotiating framework to enhance and improve appropriately the salary scales and terms and conditions to which I believe they are entitled.

5 pm

Mr David Hanson (Delyn) (Lab): The hon. Gentleman knows that the protections are important, and for the 12,000 agricultural workers in my part of the United Kingdom in Wales, they are exceptionally important. Putting that aside for a moment, will he for once, as I will today, pray in aid the employers? The deputy director of agricultural policy of the Farmers Union of Wales said that the Agricultural Wages Board

"is considered an important means of avoiding potential conflict and lengthy negotiations with individual staff".

There is a synergy between employers and employees in ensuring protection and crucially—the amendment omits this—retaining the mechanism for employers to negotiate effectively.

Andrew George: The right hon. Gentleman makes a good point. There is a significant argument between his Front-Bench spokesmen and the Minister about whether withdrawal of the protections will increase the amount of negotiation that individual farmers will be obliged to engage in with their employees, instead of allowing them simply to fall back on the helpful framework of agreements that were negotiated over some time, and the orders that are enforced from 1 October every year, which the Agricultural Wages Board provides for the agricultural industry. Some people in the agricultural industry, but perhaps not employers, will accept publicly, and some will accept privately, that those negotiations and the framework that they provide for farmers and other agricultural employers are helpful and reduce the administrative burden when negotiating with their staff. The right hon. Gentleman makes a reasonable point.

I return to a broad-brush point on agricultural workers. Last year, the Chancellor of the Exchequer made statements, which I thoroughly endorse, about how to restore the economy. He emphasised that we are all in this together, that those with the broadest shoulders should bear the greatest burden, and that the vulnerable should be protected.

John Mann (Bassetlaw) (Lab): Will the hon. Gentleman give way?

Andrew George: In a moment.

Agricultural workers may have broad shoulders physically, but not in negotiations with their employers, and certainly not when those negotiations involve their salaries. They are among the most vulnerable people in the work force. If the Government adopt for agricultural workers the principle that the Chancellor explained in his statements last year on his approach to restoring the economy and public finances, it is important to look carefully at measures necessary to protect those vulnerable workers.

Stephen Mosley (City of Chester) (Con): The hon. Gentleman is making some good proposals, but why should agricultural workers and businesses be treated differently from any other workers and businesses in this country?

The right hon. Member for Delyn (Mr Hanson) mentioned the Farmers Union of Wales, but the National Farmers Union is clear in its support for the Government's proposals.

Andrew George: I fully acknowledge that the NFU not only strongly supports the Government's proposals but perhaps drove those proposals in the first place. Although I share a good and strong platform with the NFU on many issues, we do not agree on this point.

The implication of what my hon. Friend the Member for City of Chester (Stephen Mosley) said is this: if these protections are not available in any other industry, why should they be available to agricultural workers? My answer is that we should not simply adopt a lowest common denominator approach, and that just because these protections do not apply to other industries, that does not mean that, in the interests of equality, agricultural workers should have them removed. Agricultural workers have proper protections, which need to be retained, and it might be appropriate to look at extending those protections—I am not saying that agricultural workers are exceptionally exploited—to other industries where there are isolated workers in a similarly weak position who are possibly exploited.

John Mann: The hon. Gentleman cited the Chancellor's saying that we are all in it together. Do the Liberals not get it? This morning, the Governor of the Bank of England repeated what he said before—that we have had the biggest reduction in standards of living in living memory. Are not the Chancellor and his Government cutting the pay of working people as their way of reducing the deficit, and is not this part of the same cuts?

Andrew George: The hon. Gentleman has made a fair point; I think he wanted to make a flourish with it. If he does not mind, though, I will keep the debate on the narrow point about the Agricultural Wages Board.

John Mann: I asked if the Liberals get it.

Andrew George: Whether I get it is a matter for the hon. Gentleman to judge and for me to emphasise that of course I do.

Gavin Shuker (Luton South) (Lab/Co-op): The hon. Gentleman is making a series of good points about the retention of the AWB. However, his hon. Friends have raised the views of farmers. Is he aware of the survey carried out in and around the New Forest by Stuart Harding, who saw 44 farmers at random, 37 of whom were opposed to the abolition of the AWB?

Andrew George: I am grateful to the hon. Gentleman. I must admit that I am not fully aware of such surveys. As I said in response to an earlier intervention, the view is not universally held across all agricultural employers, some of whom have privately explained to me that they find that the framework that the AWB provides creates inefficiency in how they negotiate and establish agreements, sometimes admittedly verbal, with their work force.

Huw Irranca-Davies: I agree with the hon. Gentleman that many farmers welcome the stability that is given them in their relationships, as they can avoid doing individual farm-by-farm, person-by-person negotiations. As my right hon. Friend the Member for Delyn (Mr Hanson) said, that is the view of the Farmers Union of Wales. The hon. Gentleman may be interested to know that it is also the view of the Welsh Government. The Minister will be able to confirm later that the Welsh Government have been in correspondence with DEFRA seeking to avoid today's scenario of the abolition of the Agricultural Wages Board because they want to retain its functions within Wales.

Andrew George: I am grateful to the hon. Gentleman for making that important point. We are part of a United Kingdom and, in spite of some hon. Members, a European Union in which the work force can migrate. The protections that an Agricultural Wages Board provides, which may be lost from England and Wales—and, I emphasise, from Cornwall—will not be lost in Scotland and Northern Ireland as a result of the Bill. Those who support the Bill's measures on behalf of the agricultural sector argue that agricultural workers are highly prized. If the Agricultural Wages Board is withdrawn, there is a risk, certainly in the north of England, that agricultural workers will migrate north of the border, where their pay and conditions might be rather better. That will happen over time. The Minister looks at me in a rather quizzical and critical manner. Although it is true that the pay grades and terms and conditions of agricultural workers will not immediately be withdrawn as a result of the abolition of the board, for new entrants to agriculture the only protection similar to the regulations that will be jettisoned will be the application of the national minimum wage.

Mr Frank Field: Like the hon. Gentleman, I have been looking at the Minister's face, and a quizzical look did appear on it when he talked about the importance of the minimum rates to agricultural workers. May I invite him to spike the Minister's argument if he is going to give us figures showing the number of farm workers who are paid above the minimum rate? Is it not true that in those circumstances, farm employers still use increases in the minimum rate to increase the rates that they pay their workers, even though those rates are above the minimum?

Andrew George: I am grateful to the right hon. Gentleman for making that point. The initial defence that Ministers gave for their proposal was that it is okay because there is a national minimum wage. The last Conservative Government did not consider such a proposal because

[Andrew George]

there was no national minimum wage, but now that there is, they say that there is no fear because it provides a safety net for agricultural workers.

There are six grades of pay, from grade 1, which is only 2p above the national minimum wage, up to grade 6 which is—I do not have the figure in front of me, but I am sure the Minister will tell me it—about £8.80 an hour. Grade 6 is paid to farm managers and equivalent positions. I do not think that that is a lot to pay a farm manager. It is important to acknowledge that as little as 20% of the agricultural work force are paid at the grade 1 level. Therefore, 80% are paid above the grade 1 level. That helps to emphasise the point that it is vital to retain those grades.

It is not only the grades that are vital, but the conditions on holidays, sick pay, retention to be available on duty, standing pay, payment for the retention of a dog, and tied accommodation. About 30% of agricultural workers have tied accommodation. The regulations that apply to that are important because once somebody is in tied accommodation, they have a rather different relationship with their employer.

Huw Irranca-Davies: The hon. Gentleman is actually making some good points in defence of Labour's amendment 32, not his new clause per se, because it will be not only new employees who are affected but contracted employees and casual workers renegotiating their contracts. I understand that 32,000 of those workers are in England and Wales. Does he agree with the point that I made earlier that if the view of both the Farmers Union of Wales and the Welsh Government is that the Agricultural Wages Board should be retained in Wales, it is inappropriate under the current devolution settlement to outlaw, abandon and abolish it? The Bill provides the people of Wales with no facility whatever to exercise their democratic legitimacy and retain it, let alone the people of Cornwall; we have not even moved on to devolution for Cornwall yet.

5.15 pm

Andrew George: I am grateful to the hon. Gentleman for acknowledging that the very distinctive region of Cornwall deserves such devolution.

The hon. Gentleman makes a perfectly decent point, although I have to say that provided that the Government follow their word about the Bill being the enabling framework for abolitions to be made by order, he and his colleagues in Wales will be able to advance the idea of variable geography with regard to retaining protection for agricultural workers when orders are made. However, that is perhaps a debate for another day.

Gavin Shuker: The hon. Gentleman is being extremely generous with interventions—I appreciate it.

The hon. Gentleman seems to have a lot of faith that the enabling framework in the Bill leaves the Government with an open mind about this matter. He listed a number of matters involved other than the minimum wage, such as other terms of employment and pay and conditions. Unless I am mistaken, I have not heard him mention sick pay so far, but we know from the Commission for Rural Communities, a body that is itself to be abolished under the Bill, that that will take £9 million out of the rural economy.

Andrew George: I am grateful to the hon. Gentleman for his comments, and perhaps I need to move on to the CRC, because I am aware that I have been very generous in giving way—perhaps too generous, judging by the body language of those on the Government Front Bench. I did mention sick pay, although I am not sure I can confirm the figure that the hon. Gentleman gave, and I noticed the Minister shaking his head at that point. However, the negotiated sick pay agreements for certain agricultural workers are clearly very important. They are certainly more generous than others, and I would not have thought that those workers would want to give them up lightly.

I wish to emphasise a couple of points on new clauses 8 and 9. The first is about the Rural Advocate's role. The disbursement of grants and the other roles of the CRC could potentially be brought in-house or delivered in other ways. However, it is vital to retain an independent rural voice, and I still believe that the Government need to revisit that point. There are two very good reasons for that. One is that although those of us who represent rural constituencies are of course the rural voice in Parliament, and advocates on behalf of our constituents, we need a non-partisan inquisitor and overseer. We need someone to assess the general trends of what is going on in our rural communities and rural life. The nature of how we engage in our debates in the House is that we tend to react to the political issues of the day rather than necessarily approaching calmly, objectively and rationally a significant issue that might otherwise not be addressed at all.

It is also important to recognise that the Rural Advocate should in future speak up on behalf of the most vulnerable in rural areas, as he has in the past. People on below average wages are the minority in many rural communities, but in some, including in my constituency, they are the majority. Indeed, my constituency has the lowest average wage in the country.

The advocate should also speak up for those who fundamentally depend on the range of public services that are the most vulnerable, including rural bus services, small rural schools, and village shops and post offices, which are closing in many communities in many constituencies.

The Government simply propose to press ahead with the abolition of the Commission for Rural Communities. Hon. Members have addressed the manner in which the Government have approached that, but it is notable that the Rural Advocate has already been abolished. I must chide them on starting to deliver the purpose of the Bill, because the Bill is supposed to be enabling legislation. The Commission for Rural Communities must be retained.

I hope the Minister addresses the need to bridge the fault lines between Departments. Very often, rural matters need to addressed between Departments. Rural transport is a matter for the Department for Transport, and village schools are a matter for the Department for Education, but they should be addressed between Departments. The problem of the Government not taking sufficient account of the impact on rural communities of legislation and regulations needs to be addressed, either by retaining an independent rural voice, or by having a Cabinet sub-committee that is obliged to report to Parliament and produce reports regularly. Will the Minister consider that?

Alun Michael (Cardiff South and Penarth) (Lab/Co-op): I have a great deal of respect for the hon. Gentleman's expertise, and as a former rural affairs Minister, I thoroughly believe that the threat to the Agricultural Wages Board and the way in which the Government have dealt with rural issues are a disgrace. However, may I point out that he has now been going on about that for more than 40 minutes, and that it would be nice to fit one or two other major issues, such as the Youth Justice Board, into the limited time available?

Andrew George: I am grateful to the right hon. Gentleman for that comment. I have been too generous in taking interventions, including his, which has taken a great deal of time.

The Government are aware that people are very unhappy at the loss of the independent rural voice. I hope that my argument gets a warm reception, and that I do not need to press the House to a Division on either of the two new clauses because the Government indicate that they will give ground.

Mr Thomas: I rise to speak to amendment 32, which is in my name and that of my right hon. and hon. Friends, and to urge the Government to keep the Agricultural Wages Board. Let me say in passing that it is a sad indictment of the modern Conservative party that it can fill its Benches for a debate on Europe, and yet a debate of such considerable significance to the future of the countryside is better attended by Labour Members.

The hon. Member for St Ives (Andrew George) has done the House a service by raising the issues in the way that he did. His new clause 7, on the Agricultural Wages Board, is a positive and constructive one, as are his other proposals, but it is not as clear-cut or positive as the proposal in amendment 32 in my name and that of my right hon. and hon. Friends. However, if he decides that he does not receive a good enough response from the Minister, which I fear will be the outcome, I shall urge my right hon. and hon. Friends to support his new clause. Nevertheless, we hope that when we press our amendment, he will join us, given its greater benefit.

The AWB helps to ensure fair wages, so it will come as no surprise that the Conservative party wants it abolished. It is more surprising, however, that Liberal Democrat Ministers are signing up to the proposal. Like many others, rural workers will find it difficult to believe that this proposal is proof of the Deputy Prime Minister's claim that he is a brake on the Conservative party. The AWB helps to ensure that people working in the countryside, be they apprentices, farm supervisors or small farmers, get a fair deal. Frankly, it is difficult to see how, without the AWB, farm workers will not inevitably be worse off.

Mr Kevan Jones: Does my hon. Friend think it rather ironic that although the Conservative party claims to be the protector of rural communities, only one Conservative Back Bencher and one Conservative Parliamentary Private Secretary are attending this debate? Is it not clear that that party protects certain parts of the countryside, but not others?

Mr Thomas: My hon. Friend makes a good point, emphasising the one that I made about how it is surprising that so few Conservative Members are present.

Even Margaret Thatcher decided, in the end, that the AWB was too important to axe. Perhaps it would help the House if I gave two examples of the concerns about abolition that have been put to me. As my hon. Friend the Member for Hemsworth (Jon Trickett) said, had witnesses been invited to give their views on the Bill before the Committee stage, other Members might have had the opportunity to have direct conversations such as those I have had with the following two people. Richard Neville, from near Haywards Heath in Sussex, is on grade 4 of the AWB's pay scale, reflecting his additional skills and experience—he has a craftsman certificate and a national certificate in agriculture. If the AWB were abolished, however, there would be no guaranteed protection of the extra wages reflecting his skills.

Richard Neville is particularly concerned about what would happen to overtime pay, which is currently paid at time and a half. He has to work one weekend in six and, obviously, considerably longer hours in summer over the harvest period. If he and those like him move jobs, what guarantee can the Minister offer that his new employer would offer him the same level of overtime pay? I would be happy to take an intervention from him, if he wants to get to his feet.

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice) *indicated dissent.*

Mr Thomas: He does not—perhaps a glaring example of what the reality will look like.

My second example is Steve Leniec, from near Wantage in Oxfordshire, who is paid a craftsman's rates and whose concerns are about the downward pressure on farm workers' wages, which abolition of the AWB will drive. The House knows that unemployment is high at the moment, and his perfectly reasonable and understandable fear is that wages will slowly drop when the AWB is abolished.

David Wright: My hon. Friend is talking about wages being gradually eroded, but the wages of the 40,000-plus casual workers, who change jobs more rapidly, will fall very quickly indeed. A large proportion of people working in the countryside will quickly take a pay hit if this body is abolished.

Mr Thomas: My hon. Friend is absolutely right. That is precisely the concern being expressed by many people.

Stephen Mosley: Does the hon. Gentleman agree with the NFU, which has stated:

"Claims that farm workers will suffer lower wages if the Board is abolished are simplistic and ill-founded"?

Mr Thomas: On this occasion, I do not agree with the National Farmers Union. As I have said, we consulted widely in preparing our position on this part of the Bill, and we have reached a very different conclusion on the basis of our conversations with farm workers, with small farmers and with other farm workers' representative bodies, of which more later.

5.30 pm

Mr Frank Field: Might not the National Farmers Union give a different answer if the Government were to address the question of how we can grow more food to feed our population? We have a huge trade deficit, and the answer must surely be to invest more. If we raise our investment in people, we will raise productivity. The push should be not to lower wages but to raise them and to raise productivity.

Mr Thomas: My right hon. Friend is absolutely right. Indeed, I hope that he will catch your eye later, Madam Deputy Speaker, to enable him to make that point in more detail.

I shall return, if I may, to the concerns expressed by Mr Leniec about the abolition of the Agricultural Wages Board. He is also worried about the loss of sick pay that he could suffer. He has never needed it to date, but knows of others who have done so. He also shares Mr Neville's concern about the loss of protection of the right to overtime if he should move to a different employer.

The Agricultural Wages Board continues to provide an unheralded but important service in helping to protect vulnerable people and their families, who are vital to the rural economy, from seeing their terms and conditions progressively worsen. It helps to regulate basic pay and protection for fruit pickers, farm labourers and other farm workers. It deals with wages, holiday pay, sick pay and overtime, as well as bereavement leave, holiday entitlement and rates for night work. It provides a crucial floor beneath which wages in the agricultural economy cannot fall.

Nearly 150,000 agricultural workers in England and Wales depend on the Agricultural Wages Board. Those workers play a part in maintaining the vibrancy of our rural communities. They are the unsung essential staff who support farmers in helping to keep agricultural businesses thriving. As my right hon. Friend the Member for Birkenhead (Mr Field) has just suggested, they form a vital part of our food production industry, helping to ensure that we and our constituents can all enjoy healthy—and, occasionally, unhealthy—meals.

It is striking that many farmers continue to support the Agricultural Wages Board. Its presence means that they do not have to become employment specialists, and that they can instead concentrate on running their businesses. The deputy director of the Farmers Union of Wales has noted that

"the AWB is considered an important means of avoiding potential conflict and lengthy negotiations with individual staff".

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): To my knowledge, agriculture is the only industrial sector in which there have been no large industrial disputes over the past couple of decades. Is not that testimony to the success of the AWB?

Mr Thomas: The hon. Gentleman is undoubtedly right on this occasion. It is also worth noting that many small farmers also rely on providing their skills to other farmers, at Agricultural Wages Board rates, to ensure the viability of their businesses.

The Government made the important claim in Committee that the board's abolition would not result in workers becoming worse off, and that minimum wage legislation and the European working time directive would protect their terms and conditions. I put it to the Minister, however, that once the Agricultural Wages board has gone, the 42,000 casual workers in the sector will see a drop in their wages as soon as they finish their next job. That point was also made by my hon. Friend the Member for Telford (David Wright). The other 110,000 workers could see their wages and conditions corroded over time.

Is it not spurious for Ministers to claim that farm workers will be protected by the minimum wage? As the hon. Member for St Ives (Andrew George) said, only 20% of farm workers are on the Agricultural Wages Board's grade 1, which is virtually equivalent to the current minimum wage. The rest earn considerably more than the minimum wage and will not enjoy the same protection as the board offers them now. Is it not true, too, that once the Agricultural Wages Board is abolished the right to overtime pay at current rates will disappear when a worker moves job? Is it not true, too, that once the board is abolished the right to sick pay will be at a substantially lower rate than at present for agricultural workers when they move jobs? Then there are children who do summer jobs or part-time work on the land; they usually live in rural villages themselves and often have aspirations to work on the land for a career once they are old enough to do so. They currently receive £3.05 an hour. They are not covered by the national minimum wage, so—if, indeed, the board is abolished—they will have no wage protection when they do holiday or weekend work.

Poverty in the countryside rarely receives the coverage or attention it should. Indeed, the extra costs of living and working in the countryside do not get the attention they should, so the work of the Joseph Rowntree Foundation, in highlighting the extra 10% to 20% living costs that those in rural areas typically need to spend on everyday requirements in comparison with those living in urban areas, is surely significant. It should further challenge us to do more to combat low pay and poverty in the countryside and it surely poses the question of how the abolition of the Agricultural Wages Board can possibly help in that important task. The board is also an important counterweight to the pressures from the food industry, particularly those from the supermarket chains, for ever lower costs of production to increase profitability.

I read through the comments that the Minister made in Committee. He cited how the Agricultural Wages Board's existence discourages the payment of annual salaries and the confusion with non-agricultural work that can occur. Those may or may not be genuine concerns. If they are—I take the Minister at his word—one would have thought that a reform agenda could explore those issues. Instead, the Government want to throw the proverbial baby out with the bathwater, not thinking through the consequences for rural wages of the abolition of the Agricultural Wages Board. With rural workers already facing a huge squeeze on their finances from higher energy prices, the increase in VAT and an economy that is being badly mismanaged by the Conservatives, the Government now want to risk rural workers' wages.

We know from a leaked impact assessment on the abolition of the board that the impact of the loss of entitlement to agricultural sick pay compared with the lower-in-value statutory sick pay that will remain will be a

"transfer, a benefit to farmers and a cost to workers."

The impact assessment estimates that the reduction in earnings for farm workers as a result of that measure alone will be some £9 million—£9 million out of the rural high street in lost earnings by workers. All those villages shops—vulnerable now because of the Government's mishandling of the economy—are hardly going to be helped by yet another squeeze on the finances of those they want as their consumers.

If there is any doubt that the abolition of the Agricultural Wages Board will damage the pay of rural workers, let us look at what happened in other parts of our economy when their wages councils were abolished. In evidence published as far back as September 1995, three in 10 jobs were paying less than they would have done if wages councils in the relevant sectors had not been abolished. The fall in pay in shops was particularly severe. A follow-up study one year later showed that half of all vacancies were paying below what they would have done if the wage councils had still existed. The situation had got worse. Such evidence explains why the Labour Government not only brought in the minimum wage, but reformed collective bargaining arrangements. It is also why we will tonight oppose the abolition of the Agricultural Wages Board and why I will seek your leave, Madam Deputy Speaker, to divide the House.

Lastly, I draw attention to amendment 39, which was tabled by my hon. Friend the Member for Wakefield (Mary Creagh) and other hon. Friends and which deals with the Commission for Rural Communities. The abolition of the CRC will leave rural communities without an independent voice, as the Government scrapped the Rural Advocate post last year. It raises the question of whether the Government are really committed to rural proofing Government policies. Indeed, the abolition of the CRC, along with—crucially—the abolition of the Agricultural Wages Board, following on from the Government's attempts to sell off the nation's forests, is surely proof that the countryside is being let down by the coalition Government parties.

Huw Irranca-Davies: Thank you for calling me, Madam Deputy Speaker. I did not expect to be called so soon—I expected a Government Member to be called next—but, in the absence of any speakers on the Government Benches, I shall proceed with my speech.

This morning there was a very good lobby of agricultural workers, during which members of Unite, other union workers and MPs gathered outside Parliament to protest against the abolition of the Agricultural Wages Board. Amendments 32 and 39, to which my name is attached, are intended to secure a fair deal for 152,000 farm workers in England and Wales, apprentices and farm managers alike. The amendments are intended to protect their basic pay, holidays, sick pay, overtime, bereavement leave, rent, and security of tenure in farm cottages. They are also intended to protect the compact between Government and farm workers that has existed for decades, since the Attlee Government of 1948, and which—here I echo the sentiments of the hon. Member for St Ives (Andrew George)—has recognised the enduring need to provide reasonable recompense for arduous and dangerous agricultural work, to promote food security, and to contribute to the tackling of rural poverty.

Members should be in no doubt about the fact that if the Government axe the Agricultural Wages Board, there will be severe repercussions. According to the Government's own figures, £9 million will be removed from the rural economy every year, at a time when the Government are presiding over what is effectively a zero-growth economy. The Minister did his best on the radio today, saying that he did not expect any of those bad things to happen as a result of the board's abolition. I did not expect Wales to go out of the semi-final of the rugby world cup, and the Government did not expect to see 80-odd of their Back Benchers in open rebellion last night, only 18 months into a new Administration, but, as the old saying goes, farmyard slurry happens.

More than 40,000 casual workers will experience a drop in their wages when their current jobs finish, and the wages of a further 110,000 will be eroded over time. My hon. Friend the Member for Harrow West (Mr Thomas) has told us what happens when wages councils disappear, and has described the pattern of the effect on wages and salaries over a sustained period. What assessment has the Minister made of the cost to the taxpayer of the additional claim on that taxpayer through payments of child tax credit and other support for farm workers and their families when their wages and entitlements wither on the vine?

The House has a very long memory, and some Members have been here for many years longer than I have, but I do not think that any Member who is present today was present for the original debates on this subject in 1947 and 1948. Nevertheless, there is a strange echo down the years of the debates that took place both here and in the other place. Archer Baldwin, Conservative spokesman for agriculture, argued in defence of a policy of minimalist—not minimum—wage protection, remarking of the previous pitiful agricultural wages:

> "The reason for those low wages was the low prices paid to the farmer, and we want to relate prices to wages."—[*Official Report*, 22 January 1947; Vol. 432, c. 251.]

He wanted to relate farm gate prices to wages, rather than ensuring the farmer was given a proper price for his produce and was paid a proper living wage.

I remind Liberal Democrat Members who—again—are wondering which way to turn now that their Conservative bedfellows have once more stolen the duvet that, as I remarked earlier, there was a time when they were wholly against the proposal with which we are dealing today. It was the last time there was a review of the Agricultural Wages Board—not a threat to abolish it, just a review. The Government of the day did not proceed with any proposals to abolish, change, or transfer any functions from the board, because they were faced with a powerful combined front of Labour, Liberal Democrat and assorted other Members who opposed any proposal to change it.

I suggest to the hon. Member for St Ives, who has tried his hardest to make a good fist of putting forward an alternative compromise, that there is a danger that notwithstanding what was a very principled stance on that occasion, the Liberal Democrats will tonight go over to the dark side, or at least put one foot in both sides of the bed. Regardless of which side of the bed they are on—strong Liberal or weak Tory—that is what is proposed, in particular by new clause 7 tabled by the hon. Member for St Ives. I respect the hon. Gentleman. He is trying to do the right thing: he is trying not to upset his party's coalition partners too much, and he is looking for a neat Lib Dem compromise, but it is a

[Huw Irranca-Davies]

compromise. His proposals are a weak and unsatisfying brew compared with our full-strength amendment, which would truly protect the AWB.

5.45 pm

I referred earlier to an early-day motion in 2000. In response to a proposed review of the AWB—not a proposal to abolish it—former Lib Dem Members who prided themselves on their strong rural and agricultural credentials stood alongside Labour MPs in mounting an heroically robust defence of the AWB as it stands. Former Lib Dem Members for South East Cornwall, Cheltenham, Brecon and Radnorshire, Montgomeryshire, Truro, St Austell and North Cornwall, and also the current hon. Members for St Ives, for Somerton and Frome (Mr Heath), for North Devon (Nick Harvey) and for Hazel Grove (Andrew Stunell), were happy, when in opposition, to sign up to an EDM that was glowing in its praise of the AWB and stalwart in its defence. Among other benefits, they noted

"that the Agricultural Wages Board...sets a series of rates of pay to reflect the varying qualifications and experience of farm workers, thus providing a visible career structure for recruits going into agricultural work and is used as a benchmark for other rural employment".

They also said that they believed

"that any weakening of the Agricultural Wages Board or its abolition would further impoverish the rural working class".

What has changed? The EDM added that the abolition of the AWB would lead to

"exacerbating social deprivation and the undesirable indicators associated with social exclusion; and therefore calls on the Government at the conclusion of the current review, to retain the Agricultural Wages Board as it is currently constituted."

I say to the hon. Member for St Ives that he and his colleagues were utterly right then, and they are utterly wrong tonight. I say to him, "Pull the duvet back and show who is in charge. Your rural working class are watching."

Mr Anderson: Does my hon. Friend also agree that the hon. Gentleman was correct when he was quoted on 11 November last year in the *Farmers Guardian* as saying:

"If I thought that by following this policy farm workers would be better paid or have better conditions then I'd support it. But, I think we all know that the opposite is the most likely consequence"?

He was right then, and he is wrong tonight.

Huw Irranca-Davies: I agree with my hon. Friend, and I also agree with the hon. Gentleman, as his peroration was, in fact, an argument in favour of our amendment, not his new clause. I therefore say to him that he should by all means press his new clause to a Division, as if he does so the Government Front-Bench team will have to consider whether it supports him. However, if he is not minded to do so, I urge him to support our amendment, as it will do exactly what he has previously argued is right for poor rural farm workers.

Andrew George: The purpose of my new clause is to achieve the Government objective of saving money by doing away with unnecessary quangos and other NDPBs, while also retaining the protections for agricultural workers. It therefore achieves exactly the same outcome as the hon. Gentleman is claiming to want, while also saving public money.

Huw Irranca-Davies: The hon. Gentleman's comments highlight the difference between our positions, as I do not think his new clause does anything of the sort. Instead, it weakens and threatens not only pay, but all the other terms and conditions of service that should be protected. His proposal is not an absolute guarantee; rather it is, in effect, a "maybe." He and his colleagues have to consider tonight whether they are happy with the much more opaque and vague assurances that may come from the Government Front-Bench team.

As I said, the rural working class is watching, and so are people in Wales. The Farmers Union of Wales does not want the functions of the AWB to disappear, noting among its strengths the fact that, operating with few staff,

"the AWB is...an important means of avoiding potential conflict and lengthy negotiations with individual staff."

As I mentioned, the Minister will doubtless want to confirm today that the Welsh Assembly Government have also indicated their desire to retain the functions of the AWB in Wales and are awaiting a response from the Department for Environment, Food and Rural Affairs. So may I suggest to him that today is not the day to draw a shroud over the AWB, not least when to do so would be a clear rejection of the legitimate democratic voice of the Welsh people?

Finally, I draw the attention of the Minister and of Conservative Back Benchers—both of them—to the American poet, philosopher and polymath Henry David Thoreau, who asserted:

"Farmers are respectable and interesting to me in proportion as they are poor."

Farm workers are going to be a whole lot more respectable, a whole lot more interesting and a darn sight poorer if the Government carry out this threat to abolish the AWB.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): I rise to speak to amendments 32 and 39, and I do so as a rural trade unionist and a rural Labour MP. The AWB is not a quango; it involves the Secretary of State, independents, workers in the industry and employers meeting to negotiate pay, and terms and conditions. Its destruction undoes the rightful and valuable recognition of skilled labour in the food manufacturing sector. Its destruction only creates a disincentive to young workers to enter the industry by reducing skilled labour to the level of the national minimum wage. That is a general wage for general work and it should not be used as a general means for conducting pay negotiations across a whole industry.

The scrapping of the AWB will have significant consequences for the rent relationships of workers at their place of work. Furthermore, it will undermine overtime pay arrangements, as the national minimum wage carries no overtime rates. Without the AWB, agricultural workers will have no mechanism to pursue collective bargaining to improve their pay and terms and conditions, and thus pursue their aspirations and improve their lot, not only for themselves, but for their families and their communities—they can only just about afford to live in those. If the AWB is scrapped, they will no longer be able to pursue those things.

The destruction of the AWB is only one part of this Government's attack on the countryside. If it were not for the national minimum wage, the AWB's removal would definitely take industrial relations in the fields of our nation back to an appalling condition not seen since the time of the Tolpuddle martyrs. For many on the Government Benches, "The Hired Man" is not merely a fictional account based on our social history of more than 100 years ago, but an economic vision for the future, exploiting the worker in the field. The Conservatives and Liberal Democrats cannot claim to be the parties of rural communities when the only part of rural society they want to talk to is the affluent one. The AWB provides a proper and efficient means for workers and employers to resolve human resources and industrial matters quickly. Its destruction only disfranchises workers—they will not have the right to negotiate a day's pay—and complicates matters of negotiation. The move is divisive and will undoubtedly divide rural communities between employer and employee.

The destruction of the AWB has a cynical kernel at its heart. It implies that because of record levels of unemployment employers can drive down terms, conditions and pay on the assumption that people will simply be grateful for a job. In that sense, it is intended precisely to let the rural rich exploit the very rural working class who provide the food we eat and feed our families with.

Mr Kevan Jones: I am getting a little concerned for the health of the hon. Member for St Ives (Andrew George) because when he speaks as he did tonight and as he did in the health debate, he seems to be in a certain amount of pain—perhaps the fence he has been sitting on in all these debates is causing pain to his nether regions. Clearly he is trying tonight to give the impression to his rural constituents that he is supporting them, while giving succour to the abolition of the AWB. He has to make a clear decision about whether or not he supports this move. His new clauses are seriously flawed, as was shown by some of his arguments. I agree with my hon. Friend the Member for Ogmore (Huw Irranca-Davies) that the hon. Gentleman made a better argument for the AWB's retention than he did for his new clauses.

I have a problem with the new clauses. The hon. Gentleman said that he had had discussions with the Low Pay Commission, but subsection (1) of new clause 7 would require some form of legislation to amend the LPC's remit. This is not simply a matter of transferring functions to the LPC, because we would be changing its role and nature greatly. Subsection (2) simply bemuses me. It states:

> "The Low Pay Commission shall establish an advisory board of employer and employee representatives from agricultural and related industries to make recommendations to the commission in fulfilment of its duties under the Agricultural Wages Act 1948."

That sounds very much to me like a description of the AWB. Why do we need to move things to the LPC, given that subsection (2) basically retains the function? If there is a need for the AWB to protect rural workers, we should leave it as it is.

The hon. Gentleman said that he wanted to take this approach to save money. I believe that the AWB costs £272,000 a year, which is less than half what the new special advisers appointed by the Deputy Prime Minister cost—we will keep an eye on the Tory Ministers throughout the coalition Government. So we are paying a small price to protect rural workers and rural communities. If the hon. Gentleman really wants to support rural workers in his constituency and the rest of the country, he should support our amendments 32 and 39. They make clear the need for, and importance of, the AWB, not only for workers, but for rural economies.

David Wright: I am delighted that my hon. Friend has talked about agricultural workers, because this is not solely an urban/rural issue. Many people who live in towns such as Telford, which I represent, go out of the town to work in rural areas. So this is not just about sustaining the rural economy; it is also about urban areas.

Mr Jones: My hon. Friend makes a very good point; places such as Telford are surrounded by large rural areas. It is ironic that Conservative Members keep telling us that they are the champions, supporters and voice of the countryside, given that a second Conservative Member has only just arrived for this very important debate. That tells me loud and clear that they will protect certain parts of rural communities but not others—the most vulnerable. May I say, as a former trade union official, that it would be the first time in history if something like the abolition of the AWB led to an increase in the wages of rural workers? It is therefore vital that the AWB is retained.

If the hon. Member for St Ives wants to prove to his constituents that he really cares about their needs, all he needs to do is vote for amendments 32 and 39 and encourage the rest of his party to do so. I assure him that at the next general election the Labour party in his constituency and in other Liberal Democrat rural constituencies will remind constituents of exactly what the Liberal Democrats did. As with a lot of things that this coalition is doing to attack working people in this country, this could not be done without the support of the Liberal Democrats.

Jonathan Ashworth (Leicester South) (Lab): I will speak briefly, as I am conscious of the comments of my right hon. Friend the Member for Cardiff South and Penarth (Alun Michael). I do not represent a rural constituency, but a city-centre constituency which, as the House of Commons Library tells me, has approximately zero agricultural workers living in it. It seems to me that this is about fairness. As many speakers have pointed out, the Agricultural Wages Board covers not only workers' wages but grading arrangements, skills and qualifications, overtime, training costs, apprenticeships, allowances and grants, holidays, sick pay, leave and housing. It is inconceivable that, if the board were abolished, there would not be downward pressure on the terms, wages and conditions of agricultural workers.

6 pm

I want to address one more issue about the industry more broadly. My right hon. Friend the Member for Birkenhead (Mr Field), when he was in his place, talked about the need for security of supply and how the industry needs to expand. I am very worried that if the Agricultural Wages Board is abolished, it will lead to destabilisation in the industry. It can be no coincidence that there has not been a major industrial dispute in this sector of the economy since 1923. I am told that the

industry needs 60,000 entrants. According to some research, because of the machinery and the nature of the work, the industry has the highest death and injury rate per capita. For reasons of security of food supply, we need people to move into the industry and I am deeply concerned that, if the Government get their way this evening, the changes will act as a major disincentive to people entering it.

I said I would be brief, so I shall finish on this point. We have not had an industrial dispute in this sector since 1923, but if we did have one as a result of the Government getting their way tonight it would be a very sad day indeed.

Nia Griffith: The Agricultural Wages Board sets standard rates of pay for 12,000 agricultural workers in Wales and similar workers in England, with six grades ranging from £6.10 an hour to £9.14 an hour to reflect the different types of work involved. As farming is so dependent on maximising effort when the season and weather are right, the board also gives guidance on unsocial hours, night working and dog allowances to mention just a few matters, as well as setting the rate of pay at £3.05 an hour for under-16s, who are not covered by the national minimum wage.

Many farms in Wales are family businesses with just two or three employees, or perhaps only one. Discussions about pay and conditions can be very tricky and, quite honestly, embarrassing, so standard guidance from the Agricultural Wages Board helps farmers and the 12,000 farm workers in Wales. That is the view of the Farmers Union of Wales, which has made that absolutely clear. Many of the inquiries that it receives can be answered by the board and the reason for that is not that it is just an information line but that it sets the wage levels.

In some instances, in family farm situations where there are just one or two employees, conflict can arise over wages even if there is good will on both sides, and reference to the board can avoid a lot of confusion and conflict. In other instances, there are huge temptations for employers to allow wages to be eroded by inflation, and without the Agricultural Wages Board it would be all too easy for employers to drive down wages. In the case of the many seasonal workers, that could happen very quickly indeed after the board's abolition. In many rural areas, there are few other job opportunities and the driving down of agricultural wages would significantly increase rural poverty. Indeed, we have heard that some £9 million will be taken out of the rural economy. Furthermore, it will lead to an exodus from the countryside, and we know that there is already a skills shortage. If we are to feed the nation in future we should be encouraging decent wage levels and encouraging young people to take up agricultural jobs.

Without the Agricultural Wages Board to set those additional grades above the national minimum wage to reflect the skills and physical effort involved in farm work, there will be a race to the bottom. This is part of the Government's determined agenda to drive down wages, increase poverty and take away any opportunity for ordinary people to have any redress against exploitation. Let us be clear: this is not about cutting red tape. It is about driving down wages and taking money out of the rural economy. That is why I shall support Opposition amendments 32 and 39.

John Mann: As I represent one of the largest Labour rural constituencies, I have to ask the House what is wrong with this Government—with these Liberals and Tories—who are taking every opportunity to decimate rural communities in my constituency and across the country? We know the inevitable consequences of removing and abolishing the Agricultural Wages Board: reductions in wages. That means there will be less money to spend on postage stamps, but of course they have an answer to that because the number of post offices closing and the threat to the universal postal system are part of their policy.

There will be less money in the pockets of rural workers to spend in pubs but they cannot find any pubs in rural communities because of the inaction of this Government. There will also be less money to spend in rural shops. But the biggest crime of this Government to date is the fact that across the country we have seen the decimation of independent retailers, especially in rural areas. That is within 18 months. Therefore, this is part of a particular policy and approach. We know the Government's approach to the countryside: concrete it all over and put every village together by building houses that people do not want and sticking more wind farms in. That is their policy for the rural community. Indeed, that is their only policy other than this one—give us loads of concrete but take away the spending power of people living in the rural community.

There is a reason for that approach, which one might think would be unpopular. Indeed, it is tremendously unpopular in my area as I am sure it is elsewhere in the country—it is a vote loser. The Liberals have lost all their votes already but it is a vote loser for the Tories so why are they doing it? They are doing it because this is the only economic plan they have. This is part of that plan and needs to be seen as part of it. They cannot create growth, so their economic plan is to cut real wages and real standards of living. As the Governor of the Bank of England said to the Treasury Committee today, there has been the biggest cut in living memory in standards of living in this country since this Government have been in, with working people across the country having less money in their pockets. The biggest cut since before the 1930s—that is what they have brought us.

What did Government Front Benchers say when they were going on about Europe yesterday? They said, "We want to meddle in Europe; we want to repatriate some powers", meaning the paid holidays and agency workers directives. Those very things sit alongside the Agricultural Wages Board. This is part of the same process and ideology, because this is ideology-driven. It is economic nonsense. In my constituency, it is economic nonsense to reduce the real pay of people who do not have a great amount of discretionary spend anyway. I am talking about the poorest people in my community, and I have an ex-mining community. Poverty and pockets of poverty are greater in rural communities than in any mining community in my area. The real spending power of those people will be reduced and that will have a catastrophic effect on the rural community overall. That is what these people in government are doing through a deliberate economic policy. Shame on them for doing that and shame on this lot of Liberals for backing it. I recommend to the House supporting the Opposition's sensible amendment.

Mr Paice: We have had a number of speeches on these new clauses and amendments which I shall try to address. I have to say that for the hon. Member for Harrow West (Mr Thomas) to say that the abolition of the Agricultural Wages Board is a major issue in the countryside demonstrates a serious lack of understanding about the issues that face the countryside. For the Opposition to talk about rural poverty after 13 years in office in which rural poverty got worse and worse year by year, with nearly everything they did being an attack on rural communities, smacks of hypocrisy.

I am one of those, and I suspect there are others in the House, who has at some stage had their wages set by the Agricultural Wages Board. I am not quite going back to 1948, but getting close to then. However, I recognise that the world has changed. Back in 1948, there were tens of thousands, if not hundreds of thousands, more farm workers. Most of them were horsemen, because horses were the main force of traction in those days. The world has moved on. Farm workers are not the forelock-tugging yokels that many Opposition Members seem to think.

John Mann: That is an insult.

Mr Paice: It is not an insult. If it is an insult, it is an insult to Opposition Members who have been using that sort of analogy to show the relationship between modern-day farmers and their work force.

Mr Kevan Jones: I do not think that I was doing that, but is the Minister really telling the House that, if the Agricultural Wages Board is abolished, farmers—I understand that he was a farmer before he was a Minister—will drive up wages, rather than driving them down?

Mr Paice: The market is what will affect wages. That is the reality of how wages are set in every other—*[Interruption.]* The hon. Member for Harrow West and the hon. Gentleman told us everything that happened after the abolition of the other wages councils and boards. I would take much more seriously all the remarks that we have heard from Opposition Members if they had recreated a single wages council or board in their 13 years in office. They did not do that, and that is why—*[Interruption.]* The hon. Gentleman says, "The minimum wage." Yes, we support the minimum wage, and we have got it now.

Mr Jones: The Minister argues that wages should be left to the market. Is he therefore suggesting that there is no need for the Low Pay Commission and the minimum wage? That is the ultimate conclusion of his logic.

Mr Paice: The hon. Gentleman knows full well that that is not what I said. This group of amendments deals with not only the Agricultural Wages Board, but the Commission for Rural Communities.

Huw Irranca-Davies: Will the Minister give way?

Mr Paice: I will give way to the hon. Gentleman because I respect his integrity and his contribution on these issues in the past, although I did not agree with everything that he said.

As the hon. Members for St Ives (Andrew George) and for North Durham (Mr Jones) said, new clause 7 would transfer the Agricultural Wages Board's powers to the Low Pay Commission and establish an advisory board of employees and employers to advise the commission. Clearly, amendment 32 would strike the whole issue from the Bill. Both provisions would continue the separate minimum wage regime for agricultural workers, although the mechanism would be different.

Huw Irranca-Davies: I want to shed some light, rather than heat. Of course, one of the Agricultural Wages Board's functions relates to sick pay. How much is the statutory sick pay for grade 1 and grade 2 workers? How much would it be if the board were not there?

Mr Paice: All workers will have exactly the same entitlements as they currently have. Other hon. Members have made the point—I was going to make it later, but I emphasise it now, because there are a lot of myths about—that the Bill will not affect anyone in their current employment. They will be protected by their current terms and contract of employment, whether in relation to rates or conditions of pay.

Mr Thomas: Will the Minister clarify something that he said? If an existing worker moves to a different job after the Agricultural Wages Board has been disestablished, what protection will there be for his overtime rates of pay?

Mr Paice: Clearly, the worker will negotiate with his putative new employer. *[Interruption.]* I will be more objective: the real world says that that worker is unlikely to move to someone who will pay him less than the job that he is leaving. That is the reality.

Gavin Shuker *rose—*

Huw Irranca-Davies: Will the Minister give way?

Mr Paice: I will give way, but I will make a little progress first.

I need to emphasise that this is not some secretive plot, as some people would suggest—*[Interruption]*—or even an open one. Let us not be pedantic. It is not some plot to drive down wages or conditions for agricultural workers; quite the reverse. For many years, there has been widespread employment protection for workers in other sectors of the economy through the national minimum wage regime and working time regulations. Agriculture remains the only sector with a separate employment regime. The terms and conditions and the way that it operates are outdated and gold-plate the provisions of the national minimum wage legislation and working time regulations. There is, therefore, a heavy regulatory burden on employers, and we believe that it is hampering the industry from creating jobs and damaging long-term prosperity and sustainability.

The regime that we seek to abolish dates back to the bygone era that I referred to. It does not relate to today's widespread legal protections. It no longer reflects modern employment practices. As has been mentioned, it discourages the payment of annual salaries, which is difficult for workers because they have no control over their own financial planning. By contrast, the national

[Mr Paice]

minimum wage legislation provides for the payment of annual salaries. I emphasise that all our evidence shows that the vast majority of agricultural workers are paid above the level dictated by their Agricultural Wages Board grades.

6.15 pm

Mr Thomas: The Minister says that there is a whole series of new, modern employment protections. I ask him again to draw the House's attention to which one of them will protect workers' overtime pay in the situation that I described in my previous intervention.

Mr Paice: Anyone in a post at the moment is protected by their contract of employment. Anyone who changes jobs—and whose contract therefore is no longer valid—will have to negotiate, just like in any other sector of the economy, and the hon. Gentleman was part of the Government who did not change that system.

Mr Thomas: Pay will go down.

Mr Paice: It will not necessarily go down; it will react to the state of affairs.

Huw Irranca-Davies: The Minister is being generous in giving way, but may I probe him again on my previous question, because he did not address those who change contracts? Can he confirm that most people are entitled to statutory sick pay of £81.60? Under AWB grade 1, the figure is £153.30. Under grade 2, it is £274.86. If we abolish the AWB and people go on to new contracts on those terms—I can pull out other examples—they will have substantially diminished terms and conditions. That is the reality that the Minister is painting for us.

Mr Paice: The hon. Gentleman does not seem to grasp that, if someone decides to change their job in the future, they will obviously want to take into account what terms and conditions the alternative is offering them. I will not dispute his figures, because they are the ones laid down at the moment, but anyone changing jobs will want to consider the options available to them.

Mr Kevan Jones: The Minister has just referred to agricultural wages being gold-plated. What does he consider to be gold-plated about the wages paid to agricultural workers?

Mr Paice: I was referring to the wages order, not the wages themselves. The Agricultural Wages Board structure is gold-plated. As other hon. Members have mentioned, the reality is that a lot of agricultural wages order measures go way beyond what is laid down in statute for any other walk of life or sector of employment.

Mr Anderson *rose—*

Gavin Shuker: Will the Minister give way?

Mr Paice: No; I will make some progress. I, too, heard the right hon. Member for Cardiff South and Penarth (Alun Michael).

Andrew George: I very much respect the Minister's judgment. He argues that the Agricultural Wages Board represents a bygone age, but does he accept that the Conservatives supported the establishment of the Gangmasters Licensing Authority, which provides necessary additional regulation to protect agricultural workers. If he is predicting, as a result of the abolition of the Agricultural Wages Board, that wages and terms and conditions will not go down, can he tell the House this evening that he will confidently predict that they will either at least remain the same or, indeed, be more enhanced than they might otherwise be? *[Interruption.]*

Mr Paice: For once, I agree with whoever is shouting from a sedentary position. Of course no Minister can guarantee such things and it would be crazy for anybody to do that, but it is our firm belief that the overall employment situation in agriculture and in the fresh food sector will be enhanced by the abolition of the wages board.

The amendment proposed by my hon. Friend the Member for St Ives to transfer the powers and duties of the Agricultural Wages Board to the Low Pay Commission would mean the continuation of a dual regime, with consequent duplication of effort for employers. A transfer of the wages board functions to the Low Pay Commission would mean that there was still a separate employment regime for agricultural workers. There would be no removal of the regulatory burden on businesses and we would not achieve the simplification of legislation that we believe is necessary.

Moreover, if the Low Pay Commission were to be given powers to set an agricultural minimum wage rate, it would be difficult to argue why the commission should not extend those powers to set rates in other sectors—in other words, to return to the position before 1993. As it is, the Low Pay Commission does not have any statutory powers to set a minimum wage in any sector. It is an advisory body which makes recommendations to Government. The establishment of another advisory body to advise the Low Pay Commission, which the new clause would create, would introduce more bureaucracy, which is exactly what we are trying to avoid.

If the Agricultural Wages Board and agricultural minimum wage regime were abolished, the Low Pay Commission would be asked to consider evidence in the agricultural sector, as it does in other sectors. That evidence would be taken into account when the commission made its recommendations to Government on the rates for the national minimum wage. The national minimum wage rate would thus reflect the situation for agricultural workers. I have emphasised the point about retention of existing contractual rights.

The current evidence shows that for permanent workers aged over 21, well over half were paid well above the hourly minimum wage for the relevant grades in both 2009 and 2010. As in all other industries, agricultural workers with the right qualifications and aptitudes would continue to be able to command a premium. Lower skilled workers who were paid at or around the grade 1 agricultural minimum wage rate would be protected by the national minimum wage requirements. As has been mentioned, the lowest agricultural wage rate is just 2p per hour above the national minimum wage.

The Government would encourage industry representatives to work together to provide benchmarks for agricultural wage rates. As Members know, a non-statutory approach to wage setting works in many other industries, such as the construction sector, and although there are differences between the sectors, there is no reason why a similar approach should not work in agriculture.

I have discussed the matter with the National Farmers Union and urged it to introduce advisory levels of pay annually, in conjunction with the revisions to the minimum wage and annual levels of premium. The current premiums paid for grades above grade 1 are certain percentages above the basic grade. There is no reason why any employer who wants to employ somebody who they classify as a craftsman, a foreman or whatever grade they wish, cannot continue to use the minimum wage as the base for adding whatever premium they consider appropriate. The annual uprating of the minimum wage would be the opportunity for annual changes to agricultural wages.

In Committee and again tonight, there was considerable debate about the position of the Agricultural Wages Board in Wales. I accept that the Welsh Government take a different view. We are continuing to engage with them on the arrangements that should apply to agricultural workers in Wales.

Finally, the future of the board will be subject to public consultation, as required by the provisions of the Bill. We hope to consult before the end of the year. That will ensure that the consultation is widely advertised to meet the requirements of the Bill. Equally important and relevant to points that have been made tonight, an impact assessment and equality impact assessment will be published as part of the consultation.

That brings me to the issue of £9 million being taken out of the economy, which the hon. Member for Wakefield (Mary Creagh) said—well, it was broadcast this morning, but I suspect that, like me, she did not actually say it this morning—was per year. The figure of £9 million was one of a number of possible scenarios, but I will not take it back. It did originate from DEFRA, but it was not an official impact assessment. I do not dispute its origin, but the figure was £9 million over 10 years—less than £1 million a year.

Mr Anderson: Is the Minister telling the House that the measure will cost workers £9 million, when the AWB cost only £270,000, to quote the figures read out at the other end of the Chamber?

Mr Paice: The hon. Gentleman is mixing his figures. Nobody is disputing £270,000-odd as the annual cost of running the board. That is not the reason for abolishing it. The purpose of abolition, as we have tried to say, is to release the industry and free it up to increase employment opportunities.

Mary Creagh (Wakefield) (Lab): I have seen a DEFRA impact assessment, which says that the cumulative impact of holiday pay and reductions in sick pay is £90 million over 10 years, which is where the £9 million a year net present value comes from. I am happy to send the Minister that document if he has not seen it yet.

Mr Paice: I am happy to debate that matter with the hon. Lady outside. *[Interruption.]* I do not have the document to hand and I am not in a position to dispute the point. I certainly do not wish to be responsible for misleading the House.

On the second part of this group of amendments about the loss of an independent voice for rural communities, the Government have clearly stated that they are firmly of the view that democratically accountable Ministers should take responsibility for policy functions. A single centre of rural expertise, the rural communities policy unit operating within DEFRA, has already been able to engage more effectively since it was started earlier this year. It is already established.

In response to two points made by my hon. Friend the Member for St Ives, I should say that the commission has not been legally disbanded. That is part of the proposal in the Bill. The rural advocate's post to which he referred is not a statutory post. It did not require any legislative change.

The work programme of the rural communities policy unit will shortly be published on the DEFRA website and the unit will be using a range of methods to provide public updates about progress and impact. I emphasise that we believe it is DEFRA Ministers who are primarily responsible for ensuring that rural issues are championed within the whole of Government. There are many rural commentators and independent organisations who already advocate strongly, work to us and see us regularly, and all of us are Ministers with strong rural backgrounds. It is our job to be accountable to Parliament for the way that we fulfil our role as rural champions. We will publish various documents and policy proposals over the coming weeks and months to demonstrate clearly that we understand the real needs of rural communities.

I am pleased to say that the Environment, Food and Rural Affairs Committee has indicated that it will wish to scrutinise the work of the rural communities policy unit. The Government welcome that as further evidence of the importance that many in this House and in the other place attach to the interests of rural communities.

Mary Creagh: I thank the right hon. Gentleman for giving way. I want to apologise for misleading the House earlier. The total loss to agricultural workers is in fact £93 million over 10 years.

6.30 pm

Mr Paice: The House will have heard the hon. Lady's apology.

If new clauses 8 and 9 were agreed to, we would create two new statutory bodies, an office of rural affairs and a rural advocate, both of which would be responsible for exercising the advocacy, advice and watchdog functions currently undertaken by the CRC. Instead of moving towards a single source of rural expertise, we would be funding two new organisations to gather evidence of rural impacts and to seek to bring about changes in policy, which would be a muddled arrangement, and, if anything, replicate and extend the duplication of functions that we seek to address.

We have had a long debate. I am conscious that other Members want to move on to other issues. There are other things that I could say about rural communities, but suffice it to say that we have a Government and a

[Mr Paice]

Department that passionately care about rural communities, and in that light I ask my hon. Friend the Member for St Ives to withdraw the new clause.

Andrew George: I am conscious that we have still to debate the Youth Justice Board and S4C, so I will not detain the House unnecessarily. However, I should like to respond to the Minister's comments on the new clauses and his comments on the Commission for Rural Communities. New clauses 8 and 9 were mutually exclusive, so they would not both have to be agreed to. I appreciate that they may not be sufficiently technically adequate to achieve my objective, but the Minister must accept the need for some independent, out-of-Government advocate, and I hope that some overarching brief to maintain the rural perspective is a debate that we can still have, as the Minister acknowledges that the issue requires affirmative resolution following this enabling legislation.

I will not respond to all the Minister's remarks on new clause 7, which dominated the debate, but he predicted that it would not drive down wages and conditions, and I respect his judgment. That is obviously a brave prediction, but when I asked whether he could predict that it would at least protect and result in the exceptional enhancement of agricultural workers' wages and conditions, he could not provide that reassurance. I am pleased that in the past Conservatives supported the very necessary legislation to establish the Gangmasters Licensing Authority. The Minister said that this reflected a bygone age, but the bygone age is one before gangs and gangworkers were brought in and exploited in the manner in which they have been. That issue has been addressed, but agricultural workers are still very much present. After the abolition of the Agricultural Wages Board, should that proceed, it is predicted that we still need to attract another 60,000 agricultural workers over the next 10 years, which will be a challenge indeed.

I accept that new clause 7 is technically deficient, but I still believe that the Government should reflect on the proposal to bring responsibility for the enforcement of the regulations under another body such as the Low Pay Commission. Given that we are not making the decision today to abolish the Agricultural Wages Board, we have had a good debate and there are other matters for consideration, so I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

New Clause 11

Youth Justice Board powers and responsibilities in relation to Wales

'A joint committee shall be established to oversee the exercise of powers and responsibilities relating to youth justice jointly between the Youth Justice Board and Ministers of the National Assembly for Wales.'.—*(Alun Michael.)*

Brought up, and read the First time.

Alun Michael: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

New clause 12—*Youth Justice in Wales*—

'A joint committee shall be established to oversee the exercise of powers and responsibilities relating to youth justice jointly between the Secretary of State, or any body to which the duties of the Youth Justice Board have been transferred under an order made under section 1, and Ministers of the National Assembly for Wales.'.

Amendment 33, page 22, line 17, schedule 1, leave out

'Youth Justice Board for England and Wales.'.

Alun Michael: I am very pleased to be able to defend the Youth Justice Board, which was established by the Crime and Disorder Act 1998, for which I had responsibility as deputy Home Secretary. The Act is widely respected as a practical and effective piece of legislation, which also established the youth offending teams, the local crime and disorder reduction partnerships and antisocial behaviour orders, changes that have all been effective in cutting crime and reducing reoffending.

The success of the youth offending teams is due in large part to the insight, independence, creativity, leadership and clear focus on cutting youth crime that the Youth Justice Board has provided, and which a Government Department cannot provide. The facts of that success are clear. Around 90,000 young people under 18 were brought into the youth justice system for the first time in 2000, and there were about 50,000 first-time entrants in 2010, a reduction of 45%. Reoffending by young people was reduced by 27% between 2000 and 2009, the latest year for which figures are available. The number of young people under 18 held in custody is down by more than 25%. In August 2000, 2,968 young people under 18 were in custody, and in August 2011, 2,106 were in custody. The Audit Commission has confirmed that the system works well.

In 2010, the incoming Justice Ministers, including the Under-Secretary of State for Justice, the hon. Member for Reigate (Mr Blunt), pledged to use the justice reinvestment report of the Justice Committee as their textbook for their time in office, but to do away with the Youth Justice Board signals that they have abandoned that promise. A wide range of organisations is appalled by the proposal to do away with the Youth Justice Board, but I will mention just two.

The Association of Chief Police Officers said:

"The recent disorder in London and indeed other areas of the country have shown that crime committed by young people should be carefully and seriously considered. The performance of the youth justice system under the leadership of the YJB has been considerable."

It went on to warn that we would lose some of the successful joint initiatives that have been developed between the police and the Youth Justice Board. Finally, it makes the damning comment:

"There has been no evidence put forward to date that demonstrates the proposed transfer of the YJB's functions to the Ministry of Justice will deliver better results."

The fact is that it will not.

The Magistrates Association, speaking of the Youth Justice Board, said that

"the Magistrates Association from first-hand experience would say that it has a vital and continuing role to play in the justice system. Its very raison d'etre for magistrates is that it provides continuity of policy, strategy and implementation in a way that a general approach through the wider Ministry of Justice cannot deliver."

It warns that

"the coherence that is now one of the successes of the system will be compromised and seriously damaged."

By implication, the Government know that the Youth Justice Board has been a success, because they are not abolishing its role, but nationalising it. I did not know that Ministers were quite so left-wing or old-fashioned in their approach. I can only assume that No. 10 is demanding a tick in the box for abolishing a quango and does not care about the damage that will be done.

Over time, if the Youth Justice Board is taken into the Department for Justice, the Department will lose the expertise that has been drawn together within the board. If those who work in the board wanted to be civil servants, they would have applied to join the civil service. I hope that that attrition will be slow, but it will be inevitable. Government Departments are not good at running things, and the strength of the board is its focus on cutting youth crime, the independence and respect that it has earned and its capacity for working in partnership with others, which is why new clauses 11 and 12 are important. That point about partnership is demonstrated by the two organisations that I quoted and many others.

Sir Alan Beith (Berwick-upon-Tweed) (LD): The right hon. Gentleman has a very good record both in the work that he did as a Minister and in the work that he did on the Justice Committee on this matter, but I think he would acknowledge that it would be wrong to ascribe to the board, for all its good work, the achievements that are really those of youth offending teams at local level, where partnership really matters.

Alun Michael: The point I made, and the point that is made by the Magistrates Association and by chief police officers, is that success at the local level depended on the coherence, independence and energy of the Youth Justice Board in supporting their work. All of them value the Youth Justice Board and all of them say that a Department cannot do it. From my experience in government I am convinced that a Department, working internally, cannot effectively replace the work of the Youth Justice Board.

New clauses 11 and 12 would protect the partnership approach between the Youth Justice Board and the Welsh Assembly. I pay particular tribute to the Minister responsible in the Welsh Assembly Government, Carl Sargeant, for his engagement in this issue and to the First Minister, Carwyn Jones, for his commitment to the cause of cutting crime, particularly youth crime. Criminal justice is not a devolved matter, but the devolution of children's services, education and health policy means that a significant part of the delivery of local youth justice services is subject to Welsh Government oversight, and the Youth Justice Board has specific objectives in Wales to take account of this.

The Youth Justice Board has worked closely with the Welsh Government and other delivery partners in Wales to improve the youth justice system, and that partnership working must not be underestimated. It works. The inclusion of a board member for Wales on the Youth Justice Board has been critical in navigating the different arrangements that exist in Wales for youth justice. The board member has lead responsibility for Wales and enabled the Youth Justice Board to work effectively in Wales and develop key stakeholder relationships.

I pay particular tribute to my good friend Professor Howard Williamson—we worked together when I was a youth worker—for the massive contribution he made to enabling that partnership to work. I could illustrate that in detail at some length and wish I had time to do so, because there is a tremendous amount of important material that I would like to expand on, particularly how ensuring that placements in England have worked for young people who are returned to Welsh communities. Essentially, it is the partnership that has worked, and it is the partnership that would be put at risk unless Ministers accept, preferably, that the Youth Justice Board should be allowed to continue and, in particular, that there is a need for partnership arrangements to continue.

New clause 11 would put the current committee arrangements between the Youth Justice Board and the Welsh Assembly Government on a statutory basis, which implies the board's continuation. The alternative, as set out in new clause 12, would be to create a partnership, through a joint committee, between the Ministry of Justice, or any other organisation to which the Government transferred the powers, and the Welsh Assembly Government.

When the Home Affairs Committee recently took evidence in Wales, we heard from an individual who was working in the Assembly as a result of a joint appointment by the Assembly and the Youth Justice Board. It is that joint working that has built up the confidence that is needed. The Youth Justice Board has developed a model that works, and it should be the model for other Government agencies and Departments, many of which still do not understand how to get the best out of the complementary roles they share with the Welsh Assembly.

I urge Ministers to accept the new clause and not include the Youth Justice Board within the ambit of the Bill. I urge them, in any event, to accept that the partnership arrangements between the Government, or their agency, and Wales should be put on a statutory basis and to understand and support the importance of partnership, because it has been effective in reducing youth crime and we need it to continue.

Sir Alan Beith: The Justice Committee has taken a close interest in this matter, as it did when the right hon. Member for Cardiff South and Penarth (Alun Michael) was a member; he contributed extensively to our work on it. We have been considering it lately but are yet to take a formal view on whether the Youth Justice Board needs to survive. However, we have explored thoroughly what needs to happen if it is abolished. The Youth Justice Board has done a lot of good work, not least in leading a reduction in the use of custody for young people. That led to the closure of a youth offenders institution in my constituency, but the places have of course been taken as a result of the prison system's other requirements.

I want to make three points about what is essential in this field, whether the Youth Justice Board survives or not. First, the crucial element is that youth offending teams work at local level. The Youth Justice Board has given the initial leadership to develop youth offending teams, following initiatives taken by the right hon. Gentleman when he was a Minister. The ability of all relevant agencies at local level, including the police, social services, local authorities and housing authorities, to work together is crucial.

6.45 pm

Secondly, we must retain a degree of difference from how the National Offender Management Service has operated. The Committee has been pretty critical of NOMS—its life must surely be limited as a result of how the Ministry of Justice is organising things, but that is a matter for another day. What is quite clear is that the youth justice functions must not be subsumed into NOMS, which has not succeeded in carrying out any of the key objectives it was set on bringing together decisions about custody, and its alternatives, and the management of offenders when they leave custody. The Committee received assurances from the Minister that there will be an entirely separate division of roles and that no youth justice functions will be subsumed into NOMS.

Thirdly, the Youth Justice Board, as an autonomous, arm's length body, is in a position to share its views and advice publicly, and that is a crucial feature that we must not lose. It is of course accountable to Ministers as its chair, as she pointed out herself, is appointed by Ministers. If the board was not pursuing the Minister's objectives, its membership might not necessarily last very long, but its ability to advise independently is important. We pressed the Under-Secretary of State for Justice, the hon. Member for Reigate (Mr Blunt) on that matter, and he showed an unusual and commendable willingness to recognise the value of making the advice that would be given by the advisory board that will be created publicly available and bringing it before Parliament, and the Committee could, for example, question the advisory board on its work. What we must not have are assertions that that advice is for Ministers and, therefore, must be kept in confidence. That would not be an acceptable situation. I do not think that that is what the Minister envisages, but he must realise that that is what will happen if we do not build in such protections from the start. The civil service machine closes in around advice to Ministers, and we cannot have that.

There are perfectly good arguments for saying that we should continue to have an arm's length Youth Justice Board. It is possible to carry out the functions of the Youth Justice Board effectively under different arrangements, but there are certain essentials, three of which I have sought to identify: the local role of youth offending teams; the importance of not allowing the role to be sucked into NOMS; and the importance of knowing what kind of independent advice Ministers are given. Those are the things the Justice Committee cares about, and I want to be satisfied that the Minister cares about them too.

Simon Hughes: I want to say a few words, following what my right hon. Friend the Member for Berwick-upon-Tweed (Sir Alan Beith) has said and on behalf of my right hon. Friend the Member for Carshalton and Wallington (Tom Brake), who might join us later but is unable to be here at the moment. He has engaged with the Minister, as I have, and I thank the Minister for his engagement with colleagues on this matter, which is much appreciated.

I have always thought that the decision to create the Youth Justice Board was a good one, a view vindicated by its reputation and record. It has done a good job. The right hon. Member for Cardiff South and Penarth (Alun Michael) made the point, which I agree with, that it has clearly helped bring down offending and reoffending rates among young people and produced more successful ways of dealing with youth offending, both strategically at a national level and at the level of youth offending teams, to which my right hon. Friend the Member for Berwick-upon-Tweed referred. I have a few questions for the Minister. My honest position is that I am nervous about the proposal, because I do not want to lose a good thing, but I know that the Minister sees that it has many good elements and I hope that he can reassure us.

We know from a parliamentary answer that there have been 70 responses to the consultation, but we have not heard what the balance is between those who support the Government and those who oppose them. We do know that many of the key voices—the right hon. Member for Cardiff South and Penarth quoted some of them—to whom we should listen think that the Youth Justice Board is a good thing and ought to stay. If chief police officers and the Magistrates Association want the arrangement to stay, we should be very careful before proceeding down a road that changes it. Will the Minister share with us slightly more explicitly the answers to the consultation?

I would be grateful if the Minister responded to my right hon. Friend and put it on the record. It is imperative that the ability to plan, manage, organise, give advice on policy and take policy decisions on youth justice is retained separately—obviously linked with other parts of the criminal justice system, but separately. The way to deal with youngsters coming into the criminal justice system is entirely different from dealing with adults or old lags who reoffend.

Importantly, I would like the Minister to put on the record the fact that there will be absolute freedom for the successor body, if there is one as an advisory council, to speak when it wants to speak, to be able to say what it wants to say, and therefore to contribute to the public debate, as well as to the private debate. Will the Minister make it clear that if functions are to be transferred—I understand the Government's argument about reducing the number of quangos—a Minister, for the moment presumably the Under-Secretary of State for Justice, the hon. Member for Reigate (Mr Blunt), would be accountable to Parliament specifically for youth justice issues, and would see that as a separate component within the realm of the prison service and justice issues as a whole.

Some of us remain to be persuaded that this is the right way to go, because of the good record of the Youth Justice Board, and some of us are troubled that we might lose those good things if it were to go, but we are open to persuasion if clear assurances are given and the questions asked by my right hon. Friend, the right hon. Gentleman and me are answered adequately.

Robert Flello (Stoke-on-Trent South) (Lab): The Youth Justice Board has played a central role in reducing the number of criminal offences committed by young people since its creation, but the Government's proposal to transfer its functions to the Ministry of Justice threatens to roll back the progress of the past decade. As we have heard, the YJB has pioneered the creation of a distinct youth justice system, separate from the adult estate, recognising that the factors that lead young people to commit crime are complex, and can be addressed only through specifically targeted crime prevention and rehabilitation strategies.

As we have heard, during the last Parliament the Youth Justice Broad oversaw a 43% reduction in the number of first-time youth offenders by working with youth offending teams to focus on the causes of crime. We have also heard, but it is worth repeating, that there has been a 34% reduction in offences committed by young people and a 15% reduction in the number of young people in custody, down from 2,830 per annum to 2,418 per annum by May 2010.

Mr Andy Slaughter (Hammersmith) (Lab): I am sorry that time will not allow me to make a speech about this matter. I had the privilege of holding the youth justice portfolio for the Opposition for the past year before handing it over to my hon. Friend. That allowed me to see, while going round the country, the best practice in youth offending institutions, foundation training companies and youth offending teams. Without exception, they all praised the Youth Justice Board as the organisation that gives coherence, example and structure to what is happening. They cannot understand why the Government are abolishing a body that is proving to be such a success.

Robert Flello: I am grateful to my hon. Friend, who makes his point extremely well. If we had had a proper amount of time for this debate, I am sure that he would have made his contribution.

Paul Goggins (Wythenshawe and Sale East) (Lab): My hon. Friend mentioned the reduction in the number of young people in custody. I am sure that he is aware that that reduction has led to savings of some £38 million a year. Is he not amazed that a Government who are seeking to save money in public expenditure are prepared to take such a risk?

Robert Flello: I agree entirely with my right hon. Friend. The whole case for cost savings does not stack up in the slightest.

The Secretary of State has argued that bringing the Youth Justice Board into the Ministry of Justice will improve ministerial accountability, and thereby secure better outcomes for young people. That is nonsense, and was dreamed up to try to justify the ill-considered, back-of-a-fag-packet dumping of a mishmash of organisations associated with the Ministry of Justice into what amounts to a public relations Bill.

Let us consider ministerial accountability. Board members of the YJB are already appointed by the Secretary of State, and may be removed by the Secretary of State. The board provides a body of experts, who are accountable to Ministers, so where the lack of accountability comes in, heaven only knows. It also provides uniformity, bringing together local authorities, the prison service and the police.

The Youth Justice Board has a host of dedicated, experienced and specialist board members, but with the best will in the world, they will just be replaced by civil servants with limited knowledge of and less expertise in youth justice. Internalising the YJB in the Ministry of Justice will not replace the expertise. Indeed, the Ministry of Justice and the National Offender Management Service tend to follow the Youth Justice Board, not the other way around. Moreover, the YJB is widely respected for its expertise and independence, which have allowed it to build up important relationships with senior people across the youth justice sector. That will be lost if the Justice Secretary goes ahead with transferring the Youth Justice Board's functions to the Ministry of Justice. Responsibility for placing children in the secure estate will be moved to the Ministry of Justice, but what will happen to youth justice research, performance monitoring, consultation with YOTs and the dissemination of good practice backed by solid evidence? At best, they will be reduced; at worst, they will be completely negated.

If nothing that I or anybody else have said so far convinces the Minster, surely the riots during the summer highlighted why an independent body for youth justice is required. When young people, many of them in their early teens, were attending courts around the clock, it was the Youth Justice Board that worked with them in their journey through the criminal justice system. The Government's policy was, rightly, to make sure that those guilty of offences were brought to justice, but the same Department cannot be expected to support those young people while pursuing the Government's justice policy. If the Minister was not aware of the contribution made by the Youth Justice Board, that is further evidence of how seamlessly the YJB works with the Ministry, because it was one of the organisations briefing him.

The Government argue that abolishing the Youth Justice Board will improve accountability and efficiency, but elsewhere the Government are squandering money on, for example, elected police commissioners and creating the biggest ever quango for the NHS. Ever since the Minister had a whip-round in his Department to rustle up some bodies to satisfy his Cabinet Office colleagues, the Justice Secretary has continued to make the case that the Youth Justice Board must be abolished to save costs.

The Government estimate savings of £6 million by 2014-15 but, as we heard from my right hon. Friend the Member for Wythenshawe and Sale East (Paul Goggins), they have not undertaken a cost-benefit analysis of the YJB or the social impact of its abolition. They have not calculated the cost arising from the possibility of an increase in reoffending among young people. Perhaps the Minister will comment on the fact that in the past year the Ministry of Justice spent almost £8 million on furnishings. That is incredible. It is worth noting that the Youth Justice Board has cut its administration costs by 26% since 2008-09. It clearly understands how to be properly cost effective.

Cutting the Youth Justice Board will not save much money. Instead of saving the big sums that the Government have dreamt up, it is more likely that the real savings, if any, will amount to no more than a few hundred thousand pounds over a number of years. Instead of saving money, it threatens to undermine a youth justice system that is working, increasing costs over the longer term through higher criminality and the attendant costs to individuals and the state.

The Justice Secretary's proposal to abolish the Youth Justice Board is opposed by a range of charities and organisations, including the Association of Chief Police Officers, the Association of Directors of Children's Services, the Prison Reform Trust and the Children's Society. The Association of Chief Police Officers and the Magistrates Association have written to the Minister urging him to retain the Youth Justice Board as an arm's length body.

[Robert Flello]

During the riots, the police gold command and the National Offender Management Service commended the Youth Justice Board on its fantastic performance.

The organisation Catch 22 said:

"any reorganisation of the functions of the Youth Justice Board will result in a decreased focus on young people in the criminal justice system".

In its report of February 2010, the Public Accounts Committee noted:

"In recent years, the Youth Justice Board has been effective in leading reform within the youth justice system and diverting resources to the offenders most at risk of committing future crimes. Since 2000, the number of young people entering the youth justice system, the number held in custody and the amount of reoffending committed by young people, have all fallen. Youth custody, which is expensive relative to other ways of dealing with young offenders, has fallen during a period when the number of adults in custody has continued to rise. This is a particularly noteworthy achievement."

That says it all.

7 pm

If the Secretary of State and the Minister do not think again and remove the Youth Justice Board from the Bill, they will be turning back the clock in handing the responsibility for youth justice back to a Government Department even though, as we saw just over a decade ago, that was a wholly unsuitable way to oversee youth justice. I urge the Justice Secretary not to waste the progress made over the past decade in reducing the number of young offenders. I urge him to reconsider, in association with his Cabinet colleagues, and to remove the Youth Justice Board from the Bill by agreeing to amendment 33.

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): It is a pleasure to reply to this debate, not least to the right hon. Member for Cardiff South and Penarth (Alun Michael), given his role in establishing the Youth Justice Board in the first place, and to the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith), who is Chairman of the Justice Committee.

The right hon. Member for Cardiff South and Penarth made what he thought was a gibe in saying that I was not abolishing the Youth Justice Board but nationalising it and that he was surprised by how left-wing I was. He thereby gave the game away on the central weakness of the arguments made against the Government's intentions.

To some degree, there is a significant element of truth in the right hon. Gentleman's words, because this issue was first addressed in the context of looking at all arm's length bodies given that ministerial accountability had been significantly diluted by the proliferation of such bodies. In that sense, it is appropriate that this area is brought back within the ambit of direct ministerial accountability. The longer I have held these responsibilities as the Minister responsible for youth justice, the more confident I have become that that is the proper thing to do. We are not changing the delivery of youth justice on the ground and all the achievements of the Youth Justice Board but protecting them. In my prepared remarks, I will elaborate on exactly how we are going to do that. I hope that I will be able to bring comfort to the right hon. Gentleman and to the right hon. Member for Bermondsey and Old Southwark (Simon Hughes), who sought the same assurance.

The right hon. Member for Cardiff South and Penarth concluded his remarks by talking about the importance of partnership. The youth offending teams are indeed an exemplar of partnership working at the local level, and that will remain unaffected by the changes that the Government intend. The Chairman of the Select Committee commented on the importance of the ability of local agencies to work together, and none of that will be changed by the Government's taking the Youth Justice Board within the ambit of the Ministry of Justice. I can give him the assurance that he sought about NOMS, which will sit within the central Youth Justice Division as a separate body on youth justice. I will attend to the detail of that shortly. I was properly subjected to questioning about the role of advice that will come to Ministers. I will have more to say about that in the substantive part of my remarks, and I hope that that will give comfort to my right hon. Friends on the Liberal Benches.

The new clause would remove the Youth Justice Board from the list of organisations that may be abolished by order made under clause 1. The two amendments in relation to Wales would set up a joint committee to oversee the exercise of the powers and responsibilities of the Youth Justice Board. That joint committee would be a committee of the Youth Justice Board, if it is not abolished, and Welsh Ministers. If the Youth Justice Board is abolished, the joint committee will be a committee of the Welsh Ministers and the body to which the Youth Justice Board's powers have been transferred. Under our proposals, this would effectively mean a joint committee of Welsh Ministers and the Ministry of Justice.

The amendment to remove the Youth Justice Board from the Bill is the same as the amendment originally moved by noble Lords. Subsequently, the Government successfully reintroduced the Youth Justice Board to schedule 1 during the Committee stage in this House, having further addressed the most substantive issues raised in the other place and by other interested parties. The Government remain convinced that the national governance of youth justice, but not its front-line delivery, should be done differently. This reform is consistent with our principles of localism, our drive to reduce the number and cost of public bodies, and our commitment to clarifying lines of accountability.

The Youth Justice Board forms one part of the youth justice system, the aim of which is to prevent offending and reoffending by children and young people under the age of 18. I want to emphasise again that the delivery of youth justice by youth offending teams on the front line will not be affected and that a distinct, secure estate for young people will remain in place. I am happy to pay tribute to the achievements of the Youth Justice Board, which was established at arm's length from Government to provide strategic leadership and coherence to the then youth justice system. This was, in part, a response to the 1996 Audit Commission report, "Misspent youth", which found that there was no integrated youth justice system and that what did exist at the time was inefficient and expensive. The Youth Justice Board's arm's length status gave it freedom to establish the current system.

A decade on, we are in a completely different place, nationally and locally. A coherent and effective youth justice system has now been established, and it is the Government's view that direct accountability should now be returned to Ministers. I am also clear that

Ministers should determine the standards required in youth custody. Each year, £300 million of taxpayers' money is spent on the provision of secure accommodation for under-18s. It cannot be right that unelected individuals in a non-departmental public body are responsible for such a sum.

That is why the Justice Secretary, in his written ministerial statement of 23 June, set out his intention to carry out the core functions of the Youth Justice Board within a newly created Youth Justice Division. The division will continue the Government's focus on meeting the needs of children and young people in the justice system, overseeing the delivery of youth justice services, identifying and disseminating effective practice, and commissioning a distinct secure estate and placing young people within it. The division will form a dedicated part of the Ministry of Justice separate from the National Offender Management Service. It will ensure that the commissioning of the youth justice secure estate and the placement of young people within the estate is driven by people whose responsibility is for and whose focus is on the needs of young people. Its structure will also ensure that youth justice work in the community remains closely linked to work with young offenders in custody. That is at the heart of our ambitions for a rehabilitation revolution.

The new Youth Justice Division will be a powerful impetus behind future improvement, with the policy leverage within Government to effect change. At a time when Departments have a wide range of priorities and scarce resources, it is Ministers, led by the Justice Secretary and me, as the Minister with responsibility for youth justice, who are best placed to lead the youth justice system.

Simon Hughes: I am encouraged by what the Minister has said so far. Will the head of the new division proposed by the Government have direct access and direct accountability to the Secretary of State and the appropriate Minister rather than always being subject to having everything cleared by the permanent secretary in the Department?

Mr Blunt: The Justice Secretary has announced that John Drew, the chief executive of the Youth Justice Board, has agreed to lead the transition to the new Youth Justice Division structure and to continue to lead it beyond that. That will ensure continuity in senior management. As regards his reporting responsibilities, he will report to the director general of justice policy within the Department, but, as now, I will continue to have bilateral meetings with officials of his seniority in any event. Of course, he will occupy a special place by virtue of leading the Youth Justice Division within the Department. There are further safeguards that I will come to, and I hope they will give my right hon. Friend some comfort.

We appreciate that the Youth Justice Board successfully brought together staff from a number of backgrounds, including those with direct experience of youth justice, social and health services, and police and probation officers. I and the Department will not abandon that expertise and experience, nor will we fail to replenish it. That is wholly consistent with the Government's policy that the civil service remains open to recruits of high quality from outside its immediate ranks.

Robert Flello: I want to take the Minister back to the answer he gave the right hon. Member for Bermondsey and Old Southwark (Simon Hughes). Will he tell the House to whom the Youth Justice Board reports at the moment? Is it not the Minister?

Mr Blunt: I have instituted arrangements within the Department during this transitional period for the chief executive of the Youth Justice Board to come and see me regularly on a bilateral basis. That did not exist when I became the Minister with responsibility for youth justice, when accountability was through the chairman of the board. I think that we now have a much more satisfactory working practice—*[Interruption.]* The hon. Member for Stoke-on-Trent South (Robert Flello) says that he does not really believe that. Well, I do believe it on the evidence of what has happened over the past 18 months. I will elaborate on that later in my remarks and tell him and the House why I have come to that conclusion.

The Justice Secretary recognises the need to strengthen the Ministry's focus on youth justice by establishing a ministerial advisory group on youth justice. The group will provide timely advice to Ministers about delivery and the front line. That advice will inform the development of youth justice policy in the longer term. It will include advice on effective practice and what will work best to achieve the objectives that Ministers have set. The ministerial advisory group will be my key forum for providing external, expert oversight of operational youth justice practice to the Ministry of Justice. I will chair it as the Minister responsible for youth justice. It must consist of members who have expertise in the effective operation of the youth justice system; otherwise it will not be able to do the job that I need it to do and it will not have credibility with the informed youth justice lobby, which properly follows these matters with due care.

Finally, Dame Sue Street, a non-executive director at the Ministry of Justice, will take an active interest in youth justice within the Ministry. She has experience and knowledge of youth justice. Indeed, she undertook a review of the Youth Justice Board, but her remit did not include asking whether the Youth Justice Board should continue. Of course, as a non-executive member of the Ministry of Justice board, she will have a direct route to the permanent secretary and the Secretary of State. She is happy to take on those responsibilities as part of her role at the Department.

Sir Alan Beith: I want my hon. Friend to make it quite clear that he is not stepping back from his welcome indication that it will be possible for the advice that is given to Ministers by the advisory group to be probed by Parliament, and that its members will be able to come before the Justice Committee and tell us what their advice was.

Mr Blunt: I am happy to give my right hon. Friend that assurance. It would be quixotic to say now that it is advice to Ministers and that it will not be discoverable. The effectiveness of the group will depend first on the credibility of its members' experience and expertise and, secondly, on whether its members are prepared to speak freely and openly on these issues. I anticipate that individuals, whether or not they are members of my advisory group, will be available to his Select Committee so that it, like me, is informed of their views.

Paul Goggins: I believe that the Minister is utterly sincere in his commitment to the rehabilitation revolution and to his responsibilities. However, what he describes sounds to me far more complicated than the coherent system that has developed over the past decade. If the number of children and young people going into custody began to increase, what would he say to the official in his Department that is different from what he would say to the chair of the Youth Justice Board?

7.15 pm

Mr Blunt: As the right hon. Gentleman has identified, we are entering a period when that may well happen. I will come to that point in the course of my remarks.

This reform will not impact on the delivery of front-line youth justice by youth offending teams. We need to be clear that the front-line delivery of youth justice is completely separate from the national leadership and oversight provided by the Youth Justice Board. Under the Crime and Disorder Act 1998, the delivery of youth justice in the community is led by local authority youth offending teams. They are accountable to the chief executive of the local authority and are well embedded in local structures. Young people will continue to be placed separately from adult offenders in a dedicated secure estate that is driven by their needs.

It has been argued that the recent riots prove that the Youth Justice Board is now needed more than ever. I am afraid that I cannot agree. In my recent appearance before the Justice Committee, I set out the limitations of the current governance arrangements in the operational scenario that we faced in dealing with the disturbances. The operational integration of measures to address under-18s was delayed by 24 hours or so in the Government's initial collective response to the riots precisely because of the more remote relationship that I have with the Youth Justice Board compared with the National Offender Management Service. That would not have occurred if youth justice had been administered as we propose.

I am conscious that part of my role is to ensure that other Departments and local authorities play their part in the delivery of youth justice. That is most acute in terms of resources, because the Department for Education and the Home Office currently provide funding to the Youth Justice Board. I am concerned that as the responsible Minister, I am not engaged as early as I should be in ensuring that there is proper financing for youth offending teams on the ground. It should be my responsibility to ensure that budget settlements from other Departments and local authorities are cleared and that youth justice is getting a proper shout from inside the Government. That can be better done by a Minister than by an arm's length body.

Simon Hughes: I am encouraged by the Minister's commitment and by his clear belief that his model will work. May I ask him to give one more undertaking? Will he or his Department come back to the House in about a year if the change goes ahead to ensure that the advisory group, which I now understand he proposes to chair, is sufficiently independent, that Parliament and people outside can be sure that it will speak out when it needs to and that its voice can, if necessary, be different from the conclusions that Ministers reach having heard its advice?

Mr Blunt: I am grateful for my right hon. Friend's advice. It is a fair point and one that was laboured, quite properly, by the Justice Committee. The advisory group would not achieve the purpose that I have for it if it was not sufficiently independent. Rather than give my right hon. Friend the guarantee that I will come back here, I point out that my right hon. Friend the Member for Berwick-upon-Tweed and his Select Committee are ideally placed to ensure, in the detailed scrutiny that they will properly give these matters, that the advisers have credibility in the youth justice field and that a range of views is presented to me.

The group will serve no purpose if it consists of people who entirely agree with what the Ministry of Justice is doing. They will not be there to act as a cheer group for the execution of policy. This is an important area in which we need to be continually challenged so that we get it right. I expect the advisory group to challenge us continually to help us to get it right.

We will never be perfect, because we are operating in a financially very constrained time owing to the simply dreadful economic inheritance that we received. *[Interruption.]* Well, Opposition Members may get bored with this, but as the Minister responsible for youth justice, prisons and probation, I would much rather have inherited merely a flat budget. Sadly I have not, and we have to deal with that. We have to be innovative and clever about how we respond to those circumstances to deliver the rehabilitation of offenders in this much more challenging environment.

As the responsible Minister, I want to make it clear to all hon. Members that youth justice is critical to the Ministry of Justice and a visible part of the Department's business plan. We already have three key youth justice indicators, which are the number of young people coming into the youth justice system, the number of young people reoffending and the number of young people being sentenced to custody. The Ministry, and I as the youth justice Minister, will continue to be held to account by the public and Parliament for our performance against those measures.

I should add that from my own day-to-day experience and information drawn from youth offending teams, I fully understand just how difficult it will be simply to hold performance at current levels in this economic environment and the associated social environment in the short to medium term, before our wider social justice agenda begins to make itself felt in the long term. To some extent, keeping the Youth Justice Board would provide me with a helpful sandbag from the direct parliamentary fire of ministerial accountability for performance measures. Difficult though it may be to improve on the current performance that we inherit from the YJB, those measures will be used to inform our youth pathfinder and payment-by-results initiatives. That work is vital to the Ministry of Justice.

There is no question that the focus on youth justice will be lost or that it will become a junior partner to the work of the National Offender Management Service. In addition, we have put in place mechanisms to ensure a proper policy focus on youth justice. Senior officials have established the cross-departmental youth crime and justice board, which supports the strategic agenda. Regular inter-ministerial meetings ensure ministerial

representation from the Ministry of Justice, the Department for Education, the Home Office and the Department of Health, to support cross-Government work on the matter.

I turn briefly to the amendments on Wales tabled by the right hon. Member for Cardiff South and Penarth. The criminal justice system, of which the youth justice system is an element, is not a transferred matter. It is the Secretary of State for Justice who is ultimately responsible for youth justice in England and Wales, and the Ministry of Justice that is responsible for the secure estate and courts. The Government have no plans to change that. It would be unfair to imply to Welsh Ministers that they have a liability for outcomes when they do not have statutory responsibility for the administration of youth justice.

The proposal to establish a joint committee between the YJB or the Ministry of Justice and Ministers in the National Assembly for Wales is also likely to create further confusion throughout the youth justice system about who is ultimately accountable. Unless the wider statutory environment were to change, making that piecemeal statutory change would not be helpful. It would further complicate what is already a complex picture.

The Government recognise the differences between England and Wales in areas such as education, health and social care, which are essential to improving the life chances of children who have offended, and we will always take into account the views of Welsh colleagues. The need to reduce reoffending and offending among children and young people is shared. Current arrangements offer the advantages of scale that come with an England and Wales resource, as well as the opportunity to learn from each other and share effective practice while retaining the ability to tailor the delivery of youth justice to Wales. That is why we will ensure that there remains significant join-up between England and Wales in our youth justice priorities.

Mrs Siân C. James (Swansea East) (Lab): I am amazed that none of the Whips has said a word so far. Is this a deliberate attempt to talk out the S4C amendment?

Mr Blunt: Youth justice is an extremely important issue and these points have to be put properly on the record. I am slightly surprised at the hon. Lady's intervention, because she makes it at precisely the moment at which I am trying to deal with issues that I believe are of some importance to her, as a Welsh Member, as well as to the right hon. Member for Cardiff South and Penarth, who is sitting right behind her.

The Youth Justice Board currently has a team based in Wales, which works closely with the Welsh Assembly, and we will continue to have a Welsh-based team under our proposals to bring the functions of the Youth Justice Board into the Ministry of Justice.

The Government have listened and responded to the concerns of all interested parties. A full public consultation has just concluded, and we will carefully consider the responses before laying draft orders before Parliament. My right hon. Friend the Member for Bermondsey and Old Southwark asked about the balance of the responses to the consultation. There were, I think, 2,800 responses to the public bodies consultation, of which 68 were about the Youth Justice Board. It will not surprise him to learn that the balance of the responses was not supportive of the Government's proposal—that is not a remotely surprising pattern when it is proposed to change something. However, before we lay the draft orders, there will be an opportunity to see the detail of them.

The youth justice system needs clear and visible leadership from me, as the responsible Minister, supported by a governance structure that retains a dedicated focus on youth justice. That is what we will provide as part of our proposals to abolish the YJB. I believe that is the best way to help us reduce offending and reoffending by young people, and I ask the right hon. Member for Cardiff South and Penarth to withdraw the new clause.

Alun Michael: The Minister has been seduced by office into bad decisions, but in the best interests of securing a vote on the retention of the Youth Justice Board, I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

Clause 1

POWER TO ABOLISH

Amendment made: 5, page 1, line 13, at end insert—

'() a co-operative society,

() a community benefit society,

() a charitable incorporated organisation, or'.—*(Mr Blunt.)*

Schedule 1

POWER TO ABOLISH: BODIES AND OFFICES

Amendment proposed: 32, page 21, line 11, leave out 'Agricultural Wages Board for England and Wales'.—*(Mr Gareth Thomas.)*

The House proceeded to a Division.

Mr Deputy Speaker (Mr Lindsay Hoyle): I ask the Serjeant at Arms to investigate the delay in the No Lobby.

The House having divided: Ayes 219, Noes 296.

Division No. 373] **[7.27 pm**

AYES

Abbott, Ms Diane	Brown, rh Mr Nicholas
Ainsworth, rh Mr Bob	Brown, Mr Russell
Alexander, rh Mr Douglas	Buck, Ms Karen
Alexander, Heidi	Burden, Richard
Ali, Rushanara	Burnham, rh Andy
Anderson, Mr David	Byrne, rh Mr Liam
Ashworth, Jonathan	Campbell, Mr Alan
Bailey, Mr Adrian	Campbell, Mr Ronnie
Bain, Mr William	Caton, Martin
Banks, Gordon	Chapman, Mrs Jenny
Barron, rh Mr Kevin	Clwyd, rh Ann
Beckett, rh Margaret	Coaker, Vernon
Begg, Dame Anne	Coffey, Ann
Bell, Sir Stuart	Connarty, Michael
Benn, rh Hilary	Cooper, Rosie
Benton, Mr Joe	Corbyn, Jeremy
Berger, Luciana	Creagh, Mary
Betts, Mr Clive	Creasy, Stella
Blackman-Woods, Roberta	Cruddas, Jon
Blears, rh Hazel	Cryer, John
Blomfield, Paul	Cunningham, Alex
Bradshaw, rh Mr Ben	Cunningham, Mr Jim
Brennan, Kevin	Cunningham, Tony

Curran, Margaret
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
George, Andrew
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Lewis, Mr Ivan
Lewis, Dr Julian
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Murphy, rh Mr Jim
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Ritchie, Ms Margaret
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Seabeck, Alison
Sharma, Mr Virendra
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Watts, Mr Dave
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Lyn Brown and
Tom Blenkinsop

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Steve
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
de Bois, Nick
Djanogly, Mr Jonathan
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Foster, rh Mr Don
Francois, rh Mr Mark
Freer, Mike
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert

Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Lee, Jessica
Lefroy, Jeremy
Leigh, Mr Edward
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pugh, John
Raab, Mr Dominic
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, David
Simpson, Mr Keith
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Syms, Mr Robert
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williamson, Gavin
Wilson, Mr Rob
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George

Tellers for the Noes:
James Duddridge and Stephen Crabb

Question accordingly negatived.

7.46 pm

Proceedings interrupted (Programme Order, this day)

The Deputy Speaker put forthwith the Question necessary for the disposal of the business to be concluded at that time. (Standing Order No. 83E).

Amendment proposed: 33, page 22, line 17, leave out 'Youth Justice Board for England and Wales'.—*(Robert Flello.)*

Question put, That the amendment be made.

The House divided: Ayes 219, Noes 301.

Division No. 374] **[7.46 pm**

AYES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint

De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hepburn, Mr Stephen
Heyes, David
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Murphy, rh Mr Jim
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Ritchie, Ms Margaret
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Seabeck, Alison
Sharma, Mr Virendra
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Watts, Mr Dave
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Mark Hendrick and Tom Blenkinsop

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Steve
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
de Bois, Nick
Djanogly, Mr Jonathan
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Foster, rh Mr Don
Francois, rh Mr Mark
Freer, Mike
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike

Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lefroy, Jeremy
Leigh, Mr Edward
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pugh, John
Raab, Mr Dominic
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, David
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Syms, Mr Robert
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williamson, Gavin
Wilson, Mr Rob
Wright, Jeremy
Wright, Simon
Young, rh Sir George

Tellers for the Noes:
James Duddridge and Norman Lamb

Question accordingly negatived.

Mr Hurd: On a point of order, Mr Deputy Speaker. It would be helpful to inform that House that, having considered the matter further, the Government will not move amendments 47 and 48.

Mr Deputy Speaker (Mr Lindsay Hoyle): I thank the Minister for that notification.

Charlie Elphicke (Dover) (Con): Further to that point of order, Mr Deputy Speaker. May I say, on behalf of the people of Dover, how very welcome that is? Not everything in this House is political and partisan; some matters touch and concern our constituencies and affect us as constituency MPs.

Mr Deputy Speaker: I thank the hon. Gentleman. I call Andrew Percy to move amendment 2.

Andrew Percy (Brigg and Goole) (Con): I beg to move amendment 2, page 24, in schedule 5, leave out lines 9 and 10.

In the past few days, many Members will have received e-mails from their constituents about the important issue of the chief coroner's office. I want to begin by thanking colleagues from across the House for their kind expressions of support for the amendment, and on the broader question of the necessity of change in the coronial system. I tabled the amendment with the full support of the Royal British Legion, Inquest and the British Medical Association, and I have recently found out that Liberty also supports it, which might divide opinion on this side of the House. All those organisations want to see a chief coroner appointed as soon as possible, and my amendment would achieve exactly what the British Legion and others are asking for. Put simply, leaving out lines 9 and 10 would ensure that the chief coroner—a post agreed on a cross-party basis—is left out of the Bill.

8 pm

Before I elaborate on why I consider this such an important issue, let me explain what I think the issue we are debating today is not about. It is not about costs, certainly not about the untested costs that have been put about by the Ministry of Justice. It is not about bureaucracy and it is certainly not about seeking to delay urgent reform to the coroner system, the need for which is agreed on all sides. The crucial issue in leaving the chief coroner out of the Bill is the independent leadership needed in the coroner system to drive long overdue reform. It is also about respect for the families of those who have had to go through the system.

In less than a month's time, our nation will pause and reflect on the bravery of our armed forces. Getting to grips with the failings in the coronial system is an opportunity for us all to reflect and pause together as parliamentary representatives to support the bereaved families of our service personnel.

David Wright: I wholeheartedly support the hon. Gentleman's amendment and congratulate him on tabling it. Does he agree that this is part of an evolving military covenant issue whereby we ensure that we fulfil our duty as parliamentarians to the people who serve our country in the most difficult circumstances at the front line and those who support them?

Andrew Percy: I do, and I thank the hon. Gentleman for his support. We all want to honour the military covenant; there is no doubt about that across the House. We might sometimes disagree about how best to achieve that, but I think sorting out our coronial system is key to it, and appointing a chief coroner, as agreed on a cross-party basis previously, certainly honours the covenant.

Some polling has been undertaken on this issue, so I can inform the House what the public appear to think about this important matter. Recent polling conducted by ComRes tells us that eight out of 10 people believe the way we treat bereaved armed forces families says a lot about our values as a nation. A further 85% say that families deserve as much support as we can possibly give through the system, while three quarters agree that Britain owes a great debt to the families of those who sacrifice their lives in the service of the country. Furthermore, more than three quarters say we must support the families of deceased armed forces personnel in order to honour the memory of those who have given their lives. That is something that I am sure is shared on all sides.

Bob Stewart (Beckenham) (Con): I am not quite sure what that means. Does my hon. Friend mean to say that independent coroners do not currently support the families or does he think that the imposition of a chief coroner will make it better for them? I am quite taken by the idea that we already have independent coroners who talk on behalf of the families and say some things we do not like. I am concerned that a chief coroner might put orders down that people have to obey. I like the independence of coroners.

Andrew Percy: I thank my hon. and gallant Friend for that intervention, as it demonstrates why the Government's position does exactly the opposite to what he wants. By placing this in the hands of Ministers, which is what the Government propose, rather than in the hands of a chief coroner, we risk losing independence completely. As to going through the coronial system, sadly, some people have gone through it and have been treated appallingly. I shall provide some examples later. My hon. Friend's intervention rather supports my arguments.

Paul Goggins: I, too, congratulate the hon. Gentleman on his amendment. He rightly emphasises its significance for military personnel and their families, but does he agree that it goes much wider than that? As to the need for a coronial system that is fully independent of the Government and their Departments, I refer him to the report of Dame Janet Smith on the Shipman victims. She came precisely to the same conclusion as him—that we need a coronial system that is fully independent.

Andrew Percy: I thank the right hon. Gentleman, who has pre-empted part of my speech, which the House will be pleased to know I no longer need to elaborate, so I can somewhat reduce my speaking time. That point was made previously and he is quite right to highlight it.

I want to talk about three key issues: independent leadership, training in oversight and the issue of appeals. Before I do, however, I want to deal with costs. As I said, the Ministry of Justice costings of £11 million for start-up and £6.6 million recurrent for the chief coroner are, in the view of many, inflated. Before I give two examples to prove my point, it is worth considering what the public told ComRes about what they think of costs for an issue like this one. I am second to none in arguing that we need to drive down the costs of government, but there is always a balance to be struck.

According to the ComRes poll, more than two thirds of the public believe that appointing a chief coroner is a matter of principle, not a question of costs. We would all agree that ensuring the most appropriate support to families going through the system must always come ahead of costs. There are two examples from the costings put about by the Ministry of Justice previously in 2008. One is that the IT system will cost £3.8 million, while the second is that £564,000 will be used on a public launch and other publications for this position. I know that the Royal British Legion would be particularly keen to have this discussion. In its alternative to the Government's proposals, it stated:

> "The Royal British Legion and INQUEST would share the Government's concerns about costings if they were as high as the Ministry of Justice figures suggest".

The answer is to challenge those costings in a way that the coalition Government have sadly not been able to do since they came to power and to look seriously at the alternative costings put forward by the Royal British Legion and Inquest. It is a bit difficult because I have not had access to all the necessary budget lines. Those organisations have proposed a slower roll-out so the costs can be challenged and spread across the Parliament.

Robert Flello: The hon. Gentleman is putting his case well. On that point about costings, does he know that the Royal British Legion, Inquest, CRY and a whole host of other organisations, along with Members, have repeatedly tried—whether through parliamentary questions, freedom of information or whatever—to get the information from the Ministry of Justice, yet at every opportunity, it clams up and refuses to give the detailed figures?

Andrew Percy: I do not want to get into too much of a political spat, particularly when I am speaking from the Government Benches, but those organisations have repeatedly made the point that they have been unable to gain access to all the information. Perhaps they did not do so before the general election either. Perhaps it is a systemic problem, but having access to that information is important, particularly if so much emphasis is going to be placed on costs, as appears to be the case.

Jim Shannon (Strangford) (DUP) *rose—*

Sir Alan Beith *rose—*

Andrew Percy: I will give way to my hon. Friends, but then I am going to make some progress.

Jim Shannon: I am sure the hon. Gentleman would agree that the families are most important. The families need to have confidence in the system, and they indicated that their confidence would lie with the chief coroner rather than the independent coroner. Does he feel that that is what we should really be doing and that the families know best?

Andrew Percy: It is always easy to concentrate on the emotive issues in debates like this, and it can be very powerful, but I also believe there are less emotive reasons for pursing this policy. I would not suggest for a moment than anybody does not want to support families; it is a question of how we drive the reform forward. It is a bit like the discussion last night, when the Conservative party was united but had different tactics.

Sir Alan Beith: Does my hon. Friend recognise that it would be possible to have a chief coroner who could provide professional leadership by the designation of an existing coroner without going into the very large costs involved in the original proposal and without involving the chief coroner in running an appeals system, which might more appropriately remain a matter for reference under law to the courts?

Andrew Percy: My right hon. Friend makes a point that I was coming to. We have not identified where the savings could be in this system. Many would contend that the costs of adjourned and delayed hearings and of expensive judicial reviews could be taken out of the system by the chief coroner. My concern is that far too much emphasis has been placed on costs.

I said that I was going to talk about three particular issues. The first is independent leadership, which I think we all agree lies at the heart of the chief coroner's appointment and is the reason for his status as linchpin of the Coroners and Justice Act 2009. Parliament accepted back then that if real reform was to be achieved, there must be an independent judicial leader with responsibility for spearheading that reform. Independence is key.

Mr Kevan Jones: I was a member of the Committee that considered the Coroners and Justice Bill, and I remember that it was supported by not only the Government of the day, but the Front Bench of the hon. Gentleman's party and the Liberal Democrats. One of the key points made by the Liberal Democrat Front-Bench spokesman was that the person concerned would be independent of Government.

Andrew Percy: The hon. Gentleman has pre-empted another stage of my speech. Although I was not here at the time, perhaps mercifully, I know that the matter was dealt with on a cross-party basis.

The right hon. Member for Wythenshawe and Sale East (Paul Goggins) referred to Lady Justice Smith's report, and I want to refer to five issues that were raised in it. It found that the current system had offered inconsistent levels of service—which I think addresses the point made by my hon. Friend the Member for Beckenham (Bob Stewart)—and that families and friends were insufficiently involved in coroners' investigations. It found an absence of quality controls and independent safeguards—once again, we see the word "independent"—a lack of consistency, leadership or training, and, in some instances, an absence of medical knowledge. The report also stated that the

"coronial jurisdiction should be re-formed on modern judicial lines, as a national jurisdiction, small in size but comparable to other jurisdictions in having a Chief Coroner'".

Although it could be claimed that that report said all that needs to be said about independent leadership, the desperate need to address the issue was perhaps put as well as it could have been by the Lord Chancellor in a written ministerial statement on 14 June:

"As the functions to be transferred are limited, and the Office of Chief Coroner not filled, neither the judge nor any other individual will be responsible for the leadership, culture or behaviour of coroners."—[*Official Report*, 14 June 2011; Vol. 728, c. 62WS.]

That cannot be right. The Lord Chancellor's statement implicitly acknowledged the need for judicial, and thus independent, leadership to address the culture of coroners, while simultaneously refusing to address it.

Dr William McCrea (South Antrim) (DUP): If the three Front Benches were indeed in agreement in Committee, what has happened since to turn the position on its head?

Andrew Percy: The hon. Gentleman is tempting me down a path on which I should probably not embark, but I repeat that, in my view, the emphasis has been on cost. I agree with the Bill that there should be a burning of the quangos. Having spent 10 years as a local councillor, I know how overburdened the country has become, and I would support any measure that would save money. There is a debate to be had about costs, and I think that that is the debate we should be having, rather than a debate about whether the position exists at all.

The statement made by the Lord Chancellor back in June failed to recognise that the chief coroner's office was a single senior judicial post with statutory powers. The Government's proposals will dismantle the office and transfer some, but not—by any stretch of the imagination—all those powers to other judicial and political figures, which risks creating another fragmented structure where lines of accountability are opaque and clear leadership absent.

The second issue that I want to raise is monitoring and training. That was one of the most important functions of the chief coroner under the Coroners and Justice Act, which gave him the job of both monitoring investigations of service deaths and ensuring that coroners who conducted such inquests were suitably trained.

Mrs Madeleine Moon (Bridgend) (Lab): Will the hon. Gentleman give way?

Andrew Percy: I give way to the hon. Lady, who has a great deal of experience in this area.

Mrs Moon: I too was a member of the Committee considering the Coroners and Justice Bill, and I support the hon. Gentleman's amendment. Another issue that should be considered is the inconsistency in the recording of verdicts, especially narrative verdicts, which has been creeping in increasingly. In some coronial systems, coroners are recording up to 59% deaths as "other", which means that we are unclear about how those people died. Nationally, the average is 14%. That has a particular impact in cases of suicide. We must look ahead, because we know that we shall have a huge mental health problem when our troops come back from the front.

8.15 pm

Andrew Percy: One of the most important tasks of the chief coroner would have been supplying an annual report to Parliament, which would have enabled issues such as that to be debated here and, indeed, in another place.

Let me return to monitoring and training. The Lord Chancellor's written ministerial statement made it clear that the provision for ensuring that coroners were suitably trained and the monitoring of investigations would not now be transferred or implemented. Crucially, although the Government claim that their proposals will allow training to happen, the statement removes the requirement for training, and instead puts it under section 37 of the Act, which simply states that training regulations on training "may" be issued.

It also concerns me that the monitoring of service inquests is currently completed by the defence inquest unit. In the context of transparency and accountability, I understand why many would see a conflict of interests. The DIU is part of the Ministry of Defence, which in the case of the deaths of service personnel is also the employer, and it will therefore be an interested party in relation to such investigations.

Mr Bob Ainsworth (Coventry North East) (Lab): I was responsible for the establishment of the DIU in an attempt to improve the service that we gave to coroners and thence the service that they could give to service personnel. However, the hon. Gentleman is absolutely right: there is a fundamental conflict of interests, given that the Ministry of Defence is attempting to assist an independent coronial service to such a degree. That separation of powers, coupled with the need to improve service and timeliness for bereaved service families, goes to the heart of the need for a chief coroner.

Andrew Percy: The right hon. Gentleman has much more expertise in this area than I do. His powerful comments will have been heard, and I think that they prove exactly why we want the chief coroner in post to ensure that there is monitoring and that it is completely independent of Government.

I have already mentioned the chief coroner's parliamentary oversight through the annual report, so I will not dwell on that. Instead, let me turn to the issue of appeals. I do not deny that a key aspect of the chief coroner's functions—hearing appeals—is a bone of contention both in the House and outside. My personal instinct was to be somewhat sceptical, which is why I examined the appeals system in a bit more detail.

I certainly would not advocate the removal of the chief coroner from the Bill if I did not also believe that a chief coroner—as Parliament agreed when it passed the legislation—would reduce the need for so many bereaved people to engage in expensive litigation, as they must at present, through judicial review. I do not think that anyone wants a system in which people's experience of the system is extended through protracted appeals. However, it cannot be right that at present the only avenue of appeal that is open to the families of those who have made the ultimate sacrifice, and who want to challenge the decisions of coroners and their conduct at an inquest, is a complex and expensive judicial review system, or persuading the Attorney-General to exercise his power of fiat. Surely it would be much more cost-effective and efficient for a High Court judge as chief coroner to resolve some legal issue currently resolved in the administrative court. The alternative proposed by the Royal British Legion is to trial this. Therefore, it is accepted that there is a debate to be had about appeals. Adopting the joint RBL and Inquest proposal for an appeals trial is sensible.

Although my knowledge of the subject is limited, I have explained as best I can the most compelling arguments for leaving the chief coroner out of the Bill. I think this is the right way to proceed, and the ComRes poll to which I referred earlier illustrates that I am in good company. One of its findings is that 60% of the public believe a chief coroner should be appointed immediately—although polls must always be taken in the context in which they are asked, and all of us who are involved in politics know how they work. The theme running through the ComRes poll is that people want more support for bereaved families and a system that is independent of Government, and they want that quickly. I think all Members support that.

I readily concede that those who have been through the system are far better advocates of this case than me. In the last few days, we will all have received an e-mail from Gareth Turkington, the brother of Lieutenant Neal Turkington, who served in the Royal Gurkhas and who, sadly, died in Afghanistan. Gareth's e-mailed letter to MPs contained some powerful phrases about the current system. He says:

> "It was one of the most harrowing experiences of our lives... We as a family sought a full, independent, impartial inquest—precisely the function of the coroner—to establish how the event had happened and the circumstances of how Neal was killed. What we witnessed instead was a lack of rigorous investigation and a denial of any form of accountability or responsibility for duty of care towards Neal's safety."

Such situations do not only arise in respect of service deaths, as other people have similar experiences of the system. Sue Ainsworth, a lead midwife at the University Hospital of North Tees, also gave evidence on this issue. Her 21-year-old son died from sudden cardiac arrest. Her testimony is powerful. She states that the inquest took eight months and she found the system in many respects to be lacking in any empathy for the situation she had faced. She concludes:

> "The coroner's conduct was unacceptable. When I refused to be quiet at the Inquest and persisted in asking questions, it was then hurriedly concluded with the pathologist and the coroner abruptly leaving the room."

If that is a manifestation of respect in the system, I would not like to know what disrespect is.

Sadly, such experiences are not isolated incidents. Many coroners fulfil their role perfectly well, but others do not. Although people can point to good and bad practice in the current system, the fact that there is bad practice suggests to me, taking a common sense point of view, that there has to be somebody at the top, such as a chief coroner—or perhaps someone holding a less expensive position—who is independent of Ministers and who can drive this reform, and who ensures there is accountability back to Parliament. That is why, at present, I intend to press this amendment to a Division.

Michael Dugher (Barnsley East) (Lab): I would like to begin by paying tribute to the hon. Member for Brigg and Goole (Andrew Percy) on his excellent contribution and on tabling his amendment, which we will support. He articulated succinctly and powerfully why the Government are wrong on this issue and must think again. He made it clear that this is not about party politics; rather, it is a matter of national concern. We share that view.

The last time this Bill was debated in the Chamber, the Minister for the Cabinet Office and Paymaster General said he was confident that the Government's proposals to transfer certain statutory functions from the role of chief coroner would "gain widespread support". He could not have been more wrong. I am not aware of a single organisation that has accepted the wisdom of the Government's approach; instead, all remain highly critical. In fact, the Government have managed to manoeuvre themselves into a situation where they are pitched against the Royal British Legion, INQUEST, Cruse Bereavement Care, Victim Support, Action against Medical Accidents, Cardiac Risk in the Young, the Child Bereavement Charity, Disaster Action, Support after Murder and Manslaughter, Survivors of Bereavement by Suicide, The Compassionate Friends, RoadPeace and Brake, the road safety charity. It is a remarkable achievement for any Government to find themselves opposed on such an issue by so many organisations that do so much good work for so many people in this country.

Robert Flello: It is also important to add to the list the Marchioness Action Group, the stillbirth and neonatal death charity and other charities and organisations who say with one voice that the Government have got this wrong and that they should change their mind.

Michael Dugher: My hon. Friend adds to the list, and a written answer from the Ministry of Justice to my hon. Friend states that it is calculated that at least 95% of responses to the Department's consultation on the Bill support the RBL call not to abolish the position of chief coroner.

It is widely acknowledged that there are currently great variations in both the manner and quality of coronial inquests. It is clear that reform is long overdue. The creation of the post of chief coroner was at the heart of the new reforms introduced under the Coroners and Justice Act 2009, and that was the result of three years of review and consultation and proposed on the basis of cross-party support.

Mrs Moon: There is also inconsistency in the willingness of coroners to collaborate with academic research, which can be vital, such as in demonstrating health changes, in particular in relation to suicide, which is an area on which I focus. Some coroners are more than happy to open their records, so we can get an accurate picture of what some of the narrative verdicts actually mean. Others will not allow access to their records, and research is therefore skewed so we do not get an accurate picture of deaths in this country.

Michael Dugher: My hon. Friend makes a powerful point. Before the recent legislation, review after review of the coroner system recommended that a chief coroner was the only way to bring about the required changes. In 2003, the Luce review, a fundamental review into death certification and investigation, found that the coroner system was outdated, inconsistent and unsympathetic to families. One of its headline recommendations was for the establishment of a chief coroner position to handle appeals and oversee standards. That review was followed by Dame Janet Smith's third report of the Shipman inquiry, which again proposed that leadership for coroners should come from an independent chief coroner.

Bob Stewart: I am slightly worried. I like the idea of having independent coroners, and I do not like the idea of instruction coming down to them; I like the idea of these coroners possibly saying something that we might not find acceptable. That is why I am slightly worried about the idea of a chief coroner imposing, or suggesting, rules downwards. I would like to make sure that that does not happen.

Michael Dugher: The hon. Gentleman knows that I have the utmost respect for him and especially for the distinguished service he gave to this country. I have to say to him that independence is at the heart of the proposal for the chief coroner. Introducing national leadership under the chief coroner's post was rightly seen as a vital step towards tackling the problems of unacceptable delays, a lack of accountability and inconsistent standards across the country. The move would meet the interests of bereaved families and the wider public in terms of quality, effectiveness of investigations and ensuring that knowledge is applied to prevent avoidable death and injury in the future.

Mr Ainsworth: The hon. Member for Beckenham (Bob Stewart) has a point, but it is not the poor coroners, of whom there are many, who say uncomfortable things and whose findings make Departments such as the Ministry of Defence very uncomfortable. It is the good coroners who do that. I am talking about people such as Mr Masters, the Trowbridge coroner, who does that very effectively. There is no consistency at the moment, as there is good and bad practice; there are two extremes of the spectrum. That is why we need a chief coroner to spread best practice throughout the system for the benefit of not only bereaved families, but government.

8.30 pm

Michael Dugher: My right hon. Friend, who was an extremely good Secretary of State for Defence and did so much work to drive through improvements in this area, is of course right, which is why the reforms were universally welcomed by charities and professionals. It was on the basis of a political consensus on both sides of the House that it was determined that a chief coroner

[Michael Dugher]

was needed. At the time, the hon. Member for Old Bexley and Sidcup (James Brokenshire), who is now a Minister in the Home Office, said:

"We all welcome the establishment of the chief coroner".—[*Official Report*, 26 January 2009; Vol. 487, c. 111.]

The Government now want to go against those recommendations at a time when, if anything, inquests are becoming more complex. The Lord Chancellor has acknowledged the limited nature of the Government's proposals, making it clear that no

"individual will be responsible for the leadership, culture or behaviour of coroners."—[*Official Report*, 14 June 2011; Vol. 529, c. 66WS.]

That is precisely why we need a chief coroner in the first place.

The Government cite the costs of setting up and running the office of the chief coroner as the main reason for scrapping the role but, as has been said, the credibility of their own figures has been questioned on numerous occasions by third parties since the initial impact assessment was made some three years ago. The Government have not properly factored in the costs of failing to implement the reform, such as the £500,000 spent every year on judicial reviews or the costs associated with transferring some of the functions from the office of the chief coroner to the Lord Chief Justice. Most significantly, given that the current system is failing to learn from previous fatalities, the costs of repeated and expensive investigations and inquests into similar deaths are not included in the cost assessment.

I am aware that other hon. Members wish to speak, so I shall conclude. On Saturday, I had the great privilege of launching the poppy appeal in Barnsley with the Hoyland and District branch of the Royal British Legion, of which I am a proud member. I did the launch with members of the public, local councillors, volunteers and a number of veterans who have served this country in the armed forces with such distinction, and I pay tribute to their service and sacrifice. The director general of the Royal British Legion, Mr Chris Simpkins, has said that axing the chief coroner would be

"a betrayal of bereaved Service families".

He is absolutely right, and I am sure that the Under-Secretary of State for Justice, the hon. Member for Huntingdon (Mr Djanogly) would want to listen to the words of the Royal British Legion. In case he missed the point, I repeat that Mr Simpkins said that this would be

"a betrayal of bereaved Service families".

Honouring that commitment to create the office of chief coroner is the first test of the Government's commitment to the military covenant—that bond between our nation and our armed forces. Failing in their duty to meet that test would make a mockery of the Government's assurances of greater support for the military and their families. As hon. Members have mentioned, this is also about speaking up for those other organisations that represent families who have suffered bereavement in different circumstances.

Mr James Gray (North Wiltshire) (Con): I tend to agree with the general argument that the hon. Gentleman is making but I am not certain that I agree with some of the hyperbole about sticking up for our armed forces families, which every single Member of the House does whichever side of this argument they may be on. I am not sure that is a sound argument. Does he agree with his right hon. Friend the former Secretary of State for Defence? His point is that people like Mr Masters in Wiltshire and, indeed, the Oxfordshire coroner are great experts in military inquests and that that has been fine while the bodies have been coming back through Lyneham and/or Brize Norton but that if we are to spread out the inquests across England and the rest of Britain as we hope to do, we need to make sure that that degree of expertise is enjoyed by all the coroners across the area. That is why we need better training and a chief coroner.

Michael Dugher: The hon. Gentleman is right and he makes a powerful case for our argument. It is the inconsistency of standards that we are concerned about. There are good coroners but, if we are honest, looking back at recent cases there are many examples of where the system has not worked, and that simply is not acceptable. That is why the Opposition will stand firm behind the armed forces and their families, behind the Royal British Legion and behind other bereaved families who have been let down time and again in the past by the coroner system.

Before this debate, I received a message from the Royal British Legion that said:

"Here's hoping MPs of all parties will do the right thing by bereaved families, especially bereaved Armed Forces families, at this poignant time"—[*Interruption.*]

Those are the words of the Royal British Legion. We will do the right thing and the Government should too.

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): I thank my hon. Friend the Member for Brigg and Goole (Andrew Percy) for initiating this important debate and I thank the hon. Member for Barnsley East (Michael Dugher) for his contribution. I thank also stakeholders, particularly the noble Baroness Finlay, the Royal British Legion, INQUEST and Cardiac Risk in the Young for their passion for and commitment to reform. I have met them all on numerous occasions and our discussions have helped to shape the Government's thinking on our proposals for reform of the coroner system. I have to say that our discussions have not been just of the yes/no variety described by the hon. Gentleman.

Mr Kevan Jones: Does the Minister agree with the Under-Secretary of State for Justice, the hon. Member for Reigate (Mr Blunt), who has just said that what the Royal British Legion said was a disgrace?

Mr Djanogly: We are all aware of the importance of the issue and the outcome of this debate has the potential to affect thousands of people who come into contact with the coroner system, often in exceptionally difficult circumstances. Honouring the memory of those who give their lives for their country is very close to the heart of this Government, as it is to all hon. Members I am sure, but I point out to my hon. Friend the Member for Brigg and Goole that our reforms go further, as they concern all coroners, not just military inquests.

Hon. Members will be well aware of the Government's position on this. Urgent reform is needed to drive up standards across the piece and to learn lessons from the inquest process. This must be achieved through consistent

training for coroners, by tackling the cause of delays in the inquest process, by setting a framework of standards that the bereaved have the right to expect from the coroner system and by removing barriers to hearing inquests at the most convenient location for bereaved families.

Robert Flello: After the disgraceful comments of the Minister's colleague, who said, "These people are a disgrace," this Minister said that he had had many discussions with the Royal British Legion, INQUEST and the like. Will he comment on the observations of those organisations that following those meetings they discovered that what had been said to one group about one organisation differed from what that organisation had actually said? There has much sleight of hand.

Mr Djanogly: I would disagree with that. I had meetings with them together as well as separately. It is true that they opposed our proposals on one hand, but they were also in discussions with us in order to make our proposals work better. I was very grateful for their input and I can tell hon. Members that what has come about has been based partly on the changes they suggested.

The Coroners and Justice Act 2009 enables us to do all the things I have outlined. I accept that the Act, as originally drafted, envisaged that some functions would be carried out by a chief coroner, but that is not the only way of implementing the reforms. Indeed, the transfer of functions to the Lord Chief Justice and the Lord Chancellor will ensure that they are taken forward quickly, effectively and without the cost associated with establishing the office of chief coroner. I assure hon. Members that the independence of the judiciary is every bit as secure in the hands of the Lord Chief Justice as it would have been in the hands of the chief coroner. Debates in this House and the other place, as well as my own stakeholder engagement, have clearly shown that there are widely held misconceptions about the extent of the chief coroner's powers. In practice, the chief coroner's powers to direct coroners would have been limited and any leadership would have been provided entirely through influence and persuasion.

Mark Durkan (Foyle) (SDLP): Is the Minister not aware from his meetings with the various groups that have been mentioned that the current Government's engagement with them on the issue has given them absolutely no confidence in the idea that some of these responsibilities would rest with the Lord Chancellor and some of his Ministers in future?

Mr Djanogly: I have not come away with that impression when I have met those organisations.

Let me set out plainly that the chief coroner would not have had any enforcement powers to ensure authorities comply with actions to prevent future deaths that coroners may have reported to them. The chief coroner would not have had the power to investigate complaints about the conduct of coroners or, indeed, to direct a coroner on how to conduct an investigation. Complaints, quite rightly, will continue to lie with the Office for Judicial Complaints. The chief coroner would not, as some have suggested, have been responsible for managing or appraising individual coroners. On administrative issues, the chief coroner would not have been answerable to Parliament, as the Minister will be under our proposed ministerial board.

The hon. Member for Bridgend (Mrs Moon) said that, without a chief coroner, inconsistencies in the reporting of suicide verdicts and the increasing use of narrative verdicts would continue. The chief coroner would have had no remit to direct coroners in how they use narrative verdicts. Coroners are independent judicial office holders. Only coroners can decide on the appropriate form of verdict.

Mrs Moon: I served on the Committee that considered the Coroners and Justice Bill, and one of the things that I discussed throughout was the role of the chief coroner. One of my concerns was the totally fragmented nature of the system. I was given an absolute assurance in Committee that the chief coroner would have the capacity to oversee and call in verdicts and to ensure not only consistency but investigation, where there were suicide clusters in particular.

Mr Djanogly: The hon. Lady is very involved with coroners. We have had several meetings on coroners. She is dedicated to coronial reform—I respect her for that—but I am afraid that what she thought was the position arising from the Coroners and Justice Act 2009 is not right. Such inconsistencies and misconceptions are rife, which is why I feel that it is so important to address them now.

Mr Ainsworth *rose—*

Mark Durkan *rose—*

Mr Djanogly: Let me move on, otherwise I shall not get through.

Under the proposals announced to Parliament on 14 June, we can deliver a significant package of reform to the coroner system. Transferring the majority of the chief coroner's functions to either the Lord Chief Justice or Lord Chancellor will allow us to implement the vast majority of the reforms envisaged under part 1 of the Coroners and Justice Act 2009. Those powers include allowing the Lord Chancellor to make regulations about the way in which the coroner system is expected to operate in relation to bereaved relatives; allowing the Lord Chancellor to make regulations about the practice and procedure in coroner investigations, such as the disclosure of information to bereaved relatives and minimum standards for post mortem examinations; allowing the Lord Chief Justice to make rules to regulate practice and procedure at inquests; allowing the Lord Chief Justice to make rules in relation to the training of coroners, including specialist training, for instance, relating to military inquests; allowing the Lord Chancellor to amend coroner areas; and allowing the transfer of military cases to and from Scotland.

I found it somewhat sad to hear some hon. Members suggest that we are letting down service families. If we were leaving the office in the 2009 Act alone and not implementing the changes, I would agree with them. However, we are providing real and significant changes to the system that will directly improve the experience and treatment of service personnel families who come into contact with the coroner system.

Paul Goggins: The Government are making a huge mistake. The sooner the Minister realises that the better. He has been very evasive about the costings and has refused absolutely to interrogate the figures that he seems to have been given by his officials. Will he now explain what estimate he has made of the additional costs that will be incurred by transferring statutory functions from the chief coroner to the Lord Chief Justice?

Mr Djanogly: I will come on to the costings and explain why the costings provided by the last Government were correct—we checked them—but let me finish what I was saying.

The powers will allow the Department of Health to proceed with its proposals to introduce a new system for examining the causes of death, thereby fulfilling one of the key recommendations of Dame Janet Smith's report on the Shipman inquiry.

Concerns were expressed in Committee that I might not give this work the priority that it deserves. That could not be further from the truth. In particular, we have plans to establish a new ministerial board to drive these reforms, to provide oversight of the non-judicial aspects of the coroner system, and to provide a direct line of accountability on these matters to Parliament. We will also establish a bereaved organisations committee that will support the board and provide those who represent bereaved families with a direct line to Ministers.

Sir Alan Beith: One of the concerns of the Justice Committee has been about the uncertain and widely differing arrangements for providing financial support for coroners and the widely differing arrangements for providing coroners officers, who are sometimes provided by the police and sometimes by the local authority, with no uniform standard of training. Will the system that the Minister is describing deal with this problem?

Mr Djanogly: Yes, the board will be there to address policy issues such as those that my right hon. Friend mentioned. It is important to keep in mind that the position of chief coroner would have had power over none of those.

The ministerial board will meet quarterly, with the dates fixed and publicised well in advance so that meetings cannot be cancelled without good reason. The board will also have a strong independent feel to it, with coroners and other members sitting on it, together with representatives from the bereaved organisations committee.

The new committee will be independently chaired and I have given commitments that the chair cannot be appointed or removed without the approval of committee members. I would expect the chair to become a powerful advocate for the bereaved and be a champion of coroner reform. If the Government are not delivering on this package of reforms, I would expect the chair to hold us to account.

The bereaved organisations committee will have a particular remit to monitor the new charter for coroner services. The charter, which we intend to publish in early 2012 following the recent consultation exercise, will set out for the first time the standards of service that those coming into contact with the system can and should expect. This will play a vital role in driving up standards of service and helping people to understand their rights and responsibilities in relation to the coroner system.

Simon Hughes: I am listening carefully because I, like others, need some persuasion. Why would it not be possible, compatible with all the other arrangements that the Minister is setting out, for one coroner to be designated as the chief coroner, to have the same sort of responsibility for the coronial service as a presiding judge has in a circuit or over one of the divisions of the High Court, and to be the route of communication up and down at no or no significant additional cost?

Mr Djanogly: We would expect that to be the situation because we would expect the Lord Chief Justice, who would be responsible for the judicial aspects, to appoint someone, but that would be within current costings. I should also say, because this was raised by the hon. Gentleman's right hon. Friend the Member for Berwick-upon-Tweed (Sir Alan Beith) in an earlier remark, that that cannot, under existing legislation, be an existing coroner. It can be only a High Court judge or a circuit judge. That would be at a cost of some £400,000 a year.

Simon Hughes *rose—*

Mr Djanogly: If the right hon. Gentleman does not mind, I do not have much time and I must proceed.

I want to reassure hon. Members that the Government have listened to concerns expressed here and in the other place and by a large number of organisations. We have responded to these concerns and we have compromised, so we no longer intend to abolish the office of the chief coroner. Moving the office from schedule 1 to schedule 5 means that we will retain the chief coroner in statute. We have listened to the views of stakeholders on the constitution and remit of the new ministerial board and bereaved organisations committee and we have amended our proposals accordingly. We are considering a requirement for the new board to produce an annual report to Parliament, as my hon. Friend the Member for Brigg and Goole wished, strengthening further the accountability for and transparency of our reform proposals.

The Government's decision not to proceed with full implementation was not taken lightly. My hon. Friend the Member for Brigg and Goole, I thought, made somewhat light of the costs of the chief coroner. The simple fact is that we cannot afford the establishment costs of £10.9 million and running costs of £6.6 million per year, especially when functions can be carried out from within existing resources.

Andrew Percy: Can the Minister tell me how much his Department spent on consultants in the past year?

Mr Djanogly: I can get back to my hon. Friend on that. I will write to him. I do not have the figures to hand.

I note the concerns that hon. Members have raised about the establishment and running costs, which are of course drawn from the original impact assessment prepared by the previous Administration which accompanied the Coroners and Justice Act. However, even if Opposition Members now dispute their own figures, we cannot

escape the fact that new funding is required at a time when the Ministry of Justice is facing budget cuts of some 23%. As the hon. Member for Stoke-on-Trent South (Robert Flello) knows very well, we placed a breakdown of our figures in the House of Commons Library months ago. The alternative package of reforms can, I firmly believe, deliver the policy intentions of part 1 of the 2009 Act, but without the expense of establishing and maintaining the office of the chief coroner.

I can confirm to my hon. Friend the Member for Brigg and Goole that I have considered the new Royal British Legion and INQUEST proposals for an elongated implementation timetable in order to spread the cost of the office of chief coroner, but their proposals would mean a delay to the urgently needed reforms of several years, and there is no guarantee that even then funding will be available to establish the office. At best there would be a delay to reform, and at worst there would be no reform at all.

I began by speaking of the urgent need for reform, and I would urge my hon. Friend to consider the ramifications of his amendment. If the office of chief coroner were to be removed from schedule 5, the office would be left in statute, but with no prospect of its powers being implemented. In turn, without the ability to transfer chief coroner functions elsewhere, we would be prevented from implementing all but a small handful of provisions in part 1 of the 2009 Act. That would leave us with the worst possible outcome: little or no meaningful reform. That would be unacceptable; not least to the families of the bereaved who deserve and expect urgent reform of the system.

I therefore urge my hon. Friend to withdraw his amendment so that we can proceed with the urgent and much needed reform of the coroner system.

Mr Gordon Marsden (Blackpool South) (Lab): I want to place on record, adding to what has been said already, my admiration for the speech of the hon. Member for Brigg and Goole (Andrew Percy). I speak as one of the Members of Parliament for Blackpool, a town which has had a strong focus on service issues and which was involved in the launch of véterans week. I also declare an interest as chair of the all-party veterans group.

The argument for retaining the office of chief coroner cannot be divorced from the trauma and tragedy of the unexplained deaths and unanswered questions around Deepcut barracks over a seven-year period. Deepcut is not the only place from which the grief and trauma of the families who galvanised the urgency for the office came. I was first involved in this issue through the work of my colleague, the former Member of Parliament for Blackpool North and Fleetwood, Joan Humble, who took up the case of Lance Corporal Derek McGregor, who died at the Catterick barracks in July 2003. His father was one of Joan's constituents. She chaired the all-party group on Army deaths, which focused on peacetime non-combat deaths. She has not forgotten the issue, and nor have the bereaved families of service personnel. This Saturday there will be a conference in Blackpool for bereaved service families organised by the Soldiers, Sailors, Airmen and Families Association. Those bereaved families hoped and believed that the office of the chief coroner would have a team to look systematically at the other reports from coroners on Army deaths and to make recommendations to the Ministry of Defence. It is in that context that the whole issue of narrative verdicts on how a son or daughter has died is important, not simply in giving some comfort to the bereaved relatives, but crucially in the process of assessing and for transparency.

Charlie Elphicke: Will the hon. Gentleman give way?

Mr Marsden: No, I will not give way because of the lack of time.

That is one of the issues that is at the heart of tonight's debate. We have an opportunity to do something to respond to those views. The Minister's response has been appalling. The Minister spent half of his speech on issues that were more or less off the subject, which is not surprising as he seems to have inhabited a parallel universe during most of his conversations with the groups who have put their case forward. At this of all times they urge the Government to do the right thing. I do not say this lightly, but in 14 years as a Member of the House I have seldom if ever read a more damning brief on the Government's performance than that which many Members will have received from the Royal British Legion. It said:

> "Any suggestion that a Chief Coroner just for military inquests could achieve the essential reforms needed would be misguided and would entirely miss the point. It is not what we are calling for....The Government's costings are inflated"

as many Members have said. It continues:

> "Ministers have tried to imply that we are to blame for reforms supposedly being 'delayed'. We totally reject this misleading charge. It is the Government that is delaying reform. It was the Government who cancelled the Chief Coroner's appointment after the post had been filled...Why should they"—

families—

> "have to go to expensive judicial review when they could appeal to a Chief Coroner to resolve issues more speedily and cost-effectively?"

There seems to be no indication from the Government Front Bench that the building up of a body of evidence from the excellent coroners who have been referred to is a crucial part of the process. Instead, we have heard from a Minister on the defensive describing a whole collection of twisted and complex arrangements that will do nothing whatsoever.

Robert Flello: On that point, will my hon. Friend give way?

Mr Marsden: I am sorry, but I will not.

The great military and diplomatic historian Garrett Mattingly said that to do justice to the dead as well as to the living is what matters. That is one of the issues at the heart of tonight's debate. I urge Members on both sides of the House to take those points on board, consider what the hon. Member for Brigg and Goole has said and support his amendment.

Sir Alan Beith: The Justice Committee has on two occasions—in its present and previous form—published reports dedicated not to the creation of an office or a title, but to fundamental reform of a system in which there are too many differences across the country. There are too many differences in the ability and efficiency of coroners, in how they are resourced and how their offices are provided for, and too little support and

[Sir Alan Beith]

sympathy is shown for bereaved relatives, whether military or those who belong to any of the other categories that have been mentioned today. The important question is not the title, but whether the reforms are actually carried out.

The Minister left me a little confused on whether some High Court judge will ultimately have the words "chief coroner" added to his title. My primary objective is to see reform of the system, rather than someone acquire the title, merit though I see in there being someone who could exercise some professional leadership, just as the head of ACPO exercises professional leadership among police officers and the heads of other organisations.

Robert Flello: Will the right hon. Gentleman give way?

Sir Alan Beith: I will not, as I want to be brief in order to allow another Member to speak in the time that remains.

The Justice Committee never wanted to see an office of the chief coroner that would be vast, expensive or become involved in the provision of an alternative appeals system, which in my view would never be a proper role for a chief coroner. A chief coroner could help to ensure that cases were handled by the right coroner and that the necessary advice had been given, but appeals against what happened in an inquest need to be to a superior court that has the capacity to examine the legal questions that will then arise.

The coroners system does not exist in Scotland. If military casualties were flown directly to Scotland, they would not be the subject of inquests, unless of course that were to be stipulated in the Bill, because the Scottish system depends on the procurator fiscal deciding that there is something to be investigated, which a wholly different approach. In England, Wales and Northern Ireland, we have always assumed that having the coroner as an objective adjudicator of the cause of death in cases where that was in doubt, or where the state was involved, was a necessary part of our system. Making that system work effectively should be our primary objective.

I welcome the attention that the Royal British Legion has given the matter and remain of the view that it would be useful to have professional leadership from someone designated as chief coroner, but what I want more than anything is for the Government to go ahead with introducing proper, judicially based support for the coroners system so that we can ensure that coroners are properly resourced and are of even quality across the country.

Mr Ainsworth: The most telling intervention on the hon. Member for Brigg and Goole (Andrew Percy), who moved the amendment, was from the hon. Member for South Antrim (Dr McCrea), who asked how we got to where we are. After three years of consultation, cross-party agreement and a full examination of what was needed, how did we get to a position in which that has been scrapped and thrown away by the Government as part of a bundle of measures intended to save costs—costs that they will not even share? How did we get to a position in which the Government continually say that there was constructive dialogue with organisations which basically claim that there has been skulduggery and no effective dialogue with them at all?

When the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith) said he wanted clarification, the Minister made it clear from a sedentary position that no High Court judge would have the words "chief coroner" added to his title. There will be no independent leadership for the coronial system under what is proposed. It is the Government themselves who are causing that delay, not the hon. Member for Brigg and Goole or those of us who want to see the creation of the office of the chief coroner. It is the Government who are causing the delay and the only way to move them is to support the amendment so ably moved by—

9 pm

Proceedings interrupted (Programme Order, this day)

The Deputy Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E), That the amendment be made.

The House divided: Ayes 235, Noes 287.

Division No. 375] **[9 pm**

AYES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary

Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Gray, Mr James
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Henderson, Gordon
Hendrick, Mark
Heyes, David
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Mulholland, Greg
Murphy, rh Mr Jim
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Percy, Andrew
Perkins, Toby
Pound, Stephen
Raynsford, rh Mr Nick
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Ritchie, Ms Margaret
Robertson, Angus
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Shuker, Gavin
Simpson, David
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Stringer, Graham
Stuart, Ms Gisela
Swales, Ian
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Weir, Mr Mike
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Chris Ruane and Mr Philip Hollobone

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Steve
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Bebb, Guto
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Bray, Angie
Brazier, Mr Julian
Brokenshire, James
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Burley, Mr Aidan
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Campbell, rh Sir Menzies
Carmichael, Neil
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
de Bois, Nick
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Hemming, John
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian

Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penrose, John
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Raab, Mr Dominic
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Syms, Mr Robert
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Roger
Williamson, Gavin
Wilson, Mr Rob
Wright, Jeremy
Wright, Simon
Young, rh Sir George

Tellers for the Noes:
Norman Lamb and Stephen Crabb

Question accordingly negatived.

The Deputy Speaker then put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 11

PROCEDURE

Amendment made: 6, page 7, line 10, at end insert—

'(11) In this section, references to the "30-day", "40-day" and "60-day" periods in relation to any draft order are to the periods of 30, 40 and 60 days beginning with the day on which the draft order was laid before Parliament.

(12) For the purposes of subsection (11) no account is to be taken of any time during which Parliament is dissolved or prorogued or during which either House is adjourned for more than four days.'.—*(Mr Hurd.)*

Clause 13

POWERS RELATING TO ENVIRONMENTAL BODIES

Amendment made: 12, page 8, line 1, leave out

'Welsh devolved function relating to the environment'

and insert 'Welsh environmental function'.—*(Mr Hurd.)*

Clause 14

POWERS RELATING TO OTHER BODIES

Amendment made: 13, page 8, line 44, at end insert—

'( ) In subsection (5)(a), the reference to modifying constitutional arrangements has effect as if the references in section 3(2)(h) and (3)(e) to Ministers were to the Welsh Ministers.'.—*(Mr Hurd.)*

Clause 15

POWERS OF WELSH MINISTERS: CONSEQUENTIAL PROVISION ETC

Amendments made: 14, page 9, line 24, after 'modifying' insert 'constitutional or'.

Amendment 15, page 9, line 25, leave out 'section 4(3)(a)' and insert 'sections 3(2)(h) and (3)(e) and 4(3)(a)'.—*(Mr Hurd.)*

Clause 16

DELEGATION ETC

Amendment made: 16, page 9, line 34, leave out clause 16.—*(Mr Hurd.)*

Clause 18

CONSENT OF UK MINISTERS

Amendment made: 17, page 10, line 36, leave out 'functions, other than Welsh devolved functions,' and insert 'non-devolved functions'.—*(Mr Hurd.)*

Clause 19

CONSULTATION BY WELSH MINISTERS

Amendment made: 18, page 11, line 2, leave out 'sections 13 to 16' and insert 'section13 or 14'.—*(Mr Hurd.)*

Clause 20

PROCEDURE FOR ORDERS BY WELSH MINISTERS ETC

Amendments made: 19, page 11, line 20, leave out 'sections 13 to 16' and insert 'section13 or 14'.

Amendment 20, page 11, line 26, leave out

', in the case of an order under section 13 or 14,'.

Amendment 7, page 12, line 17, at end insert—

'(10A) In this section, references to the "30-day", "40-day" and "60-day" periods in relation to any draft order are to the periods of 30, 40 and 60 days beginning with the day on which the draft order was laid before the National Assembly for Wales.

(10B) For the purposes of subsection (10A) no account is to be taken of any time during which the National Assembly for Wales is dissolved or is in recess for more than four days.'.—*(Mr Hurd.)*

Clause 21

RESTRICTION ON CREATION OF FUNCTIONS

Amendment made: 21, page 12, line 23, leave out 'or authorise the creation of'.—*(Mr Hurd.)*

Clause 22

RESTRICTION ON TRANSFER AND DELEGATION OF FUNCTIONS

Amendment made: 22, page 12, line 38, leave out from 'functions' to end of line 40.—*(Mr Hurd.)*

Clause 23

RESTRICTION ON CREATION OF CRIMINAL OFFENCES

Amendment made: 23, page 13, line 9, leave out 'or authorise the creation of'.—*(Mr Hurd.)*

Clause 27

REGIONAL DEVELOPMENT AGENCIES

Amendment made: 24, page 16, line 31, leave out 'it' and insert 'a draft of the instrument'.—*(Mr Hurd.)*

Clause 31

ORDERS: SUPPLEMENTARY

Amendment made: 25, page 18, line 27, after 'Act' insert ', other than an order under sections [Delegation of functions by Environment Agency] to [Shared services: Forestry Commissioners],'.—*(Mr Hurd.)*

Clause 32

INTERPRETATION

Amendments made: 8, page 18, line 37, at end insert—

'"community benefit society" means—

(a) a society registered as a community benefit society under the Co-operative and Community Benefit Societies and Credit Unions Act 1965,

(b) a pre-2010 Act society (as defined by section 4A(1) of that Act) which meets the condition in section 1(3) of that Act, or

(c) a society registered or deemed to be registered under the Industrial and Provident Societies Act (Northern Ireland) 1969 which meets the condition in section 1(2)(b) of that Act;'.

Amendment 9, page 18, line 39, at end insert—

'"co-operative society means—

(a) a society registered as a co-operative society under the Co-operative and Community Benefit Societies and Credit Unions Act 1965,

(b) a pre-2010 Act society (as defined by section 4A(1) of that Act) which meets the condition in section 1(2) of that Act, or

(c) a society registered or deemed to be registered under the Industrial and Provident Societies Act (Northern Ireland) 1969 which meets the condition in section 1(2)(a) of that Act;'.

Amendment 26, page 19, line 17, at end insert—

'"non-devolved function" means a function that is not a Welsh devolved function;'.

Amendment 27, page 19, line 36, leave out 'section 16' and insert 'section [Delegation of Welsh environmental functions]'.

Amendment 10, page 19, line 36, at end insert—

'(1A) Until the coming into force of section 1 of the Co-operative and Community Benefit Societies and Credit Unions Act 2010—

(a) the definition of "community benefit society" in subsection (1) above has effect as if for paragraphs (a) and (b) there were substituted—

"(a) a society registered or deemed to be registered under the Industrial and Provident Societies Act 1965 which meets the condition in section 1(2)(b) of that Act, or";

(b) the definition of "co-operative society" in subsection (1) above has effect as if for paragraphs (a) and (b) there were substituted—

"(a) a society registered or deemed to be registered under the Industrial and Provident Societies Act 1965 which meets the condition in section 1(2)(a) of that Act, or".

(1B) Subsection (1A) ceases to have effect on the coming into force of section 1 of the Co-operative and Community Benefit Societies and Credit Unions Act 2010.'.

Amendment 28, page 19, line 36, at end insert—

'"Welsh environmental function" means a Welsh devolved function relating to the environment.'.

Amendment 11, page 19, line 37, leave out subsections (2) to (4).—*(Mr Hurd.)*

Title

Amendment made: 29, line 3, after 'bodies;' insert

'to make provision about delegation and shared services in relation to persons exercising environmental functions;'.—*(Mr Hurd.)*

Third Reading

9.14 pm

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): I beg to move, That the Bill be now read the Third time.

It is now slightly more than a year since the introduction of the Bill, and it has undergone considerable scrutiny and review both within Parliament and outside. I believe that the Government have responded positively and openly to that scrutiny. Both in this House and in the other place, we have worked with parliamentarians across the party boundaries to make a number of important amendments. My noble Friend Lord Taylor of Holbeach rightly paid tribute to noble Lords for their efforts in improving the Bill, and those tributes can be extended to this House. This has been a constructive process.

Alun Michael: Will the Minister acknowledge that there is real concern about the abolition of the Youth Justice Board, which we discussed earlier this evening in a time-limited debate? The concern is that by being taken inside the Ministry of Justice, it will lose the independence and spark that have led to its supporting youth offending teams in cutting youth reoffending. Will he undertake to keep an eye on that and, if it turns out that a system within the Ministry of Justice does not deliver as the YJB has, to look again at the arrangements?

Mr Maude: I hear what the right hon. Gentleman says, and I know that he has been hugely involved in the matter and has a passionate commitment to the cause of youth justice being delivered appropriately. I obviously take on board what he says, and my right hon. and hon. Friends have said both in Committee and in the House that we will keep the matter under review. Under the procedures in the Bill, before an order gives effect to the arrangements for bringing the YJB inside the Ministry of Justice, as is envisaged, there will have to be a proper consultation process and parliamentary scrutiny. That applies right across the piece to any changes that are implemented under the Bill. There will have to be full consultation and a proper parliamentary process.

It is important to put on the statute book, as I hope will happen under the Bill, a procedure for changing the arrangements for public bodies. In the past it has been far too easy for public bodies to be casually, almost incontinently created, and it has never been easy for them to be reformed when needs have changed. Anyone who has been in government knows the pressure that there is on primary legislation, and the need to make changes to the governance, funding arrangements and scope of public bodies cannot easily rise to the top of the pile. The procedure that we are putting in place for public bodies to be reformed, abolished or merged or to have their governance or funding arrangements changed is therefore really important, and I am grateful for the constructive approach that has been applied to the Bill.

Commitment to reforming the quango state is common across the political divide. All three parties entered the last election with a commitment to reforming the public body landscape, so we brought forward the Bill in the hope and expectation that there would be a consensual approach to it. Although there have been disagreements about some aspects of it—it was never likely that there would be absolute unanimity about every body for which changes were proposed—the approach has broadly been constructive. There has been agreement that the approach taken in the Bill is desirable.

Thus it was that last June, I told the House that we were committed to cutting the number of public bodies in order to increase accountability and cut costs. We always made it clear that the primary objective of the Bill was the former. Cutting costs would certainly happen, and I will say a word about the savings later, but the primary objective was to ensure that there was democratic accountability, unless the three tests that we set out for a body or function continuing in a way that was not democratically accountable were met.

The review that we carried out first established whether the functions of a body needed to be carried out at all. If so, we sought to establish whether the body should exist at arm's length from government by asking three questions: first, does it perform a strictly technical function; secondly, do its activities require clear political impartiality; and thirdly, does it need to act independently to establish or measure facts in a clear and independent way?

We discovered that there were 904 non-departmental public bodies, non-ministerial departments and public corporations. We proposed that in excess of 200 would cease to be public bodies; that 120 would be merged into 56 bodies; and that 170 would be substantially reformed. In addition, we listed 15 as "under consideration" with further announcements expected in due course.

The Bill establishes a mechanism that gives Ministers a series of powers, which it outlines, to make changes through secondary legislation. As I have said, if we had always to wait for an opportunity to make primary legislation, we would continue inevitably to add to the landscape of unaccountable, and often very costly and not always very efficient, public bodies.

Andrew George: The Minister said that he did not expect absolute agreement in every case that is identified in the Bill, which was iterated both in Committee and particularly on Report. Will he reassure the House that he will give special consideration to the cases, including the Agricultural Wages Board, that were highlighted on Report, and to the need for rural proofing within the Government?

Mr Maude: I hear what my hon. Friend says, and he will have heard what my right hon. Friend the Minister of State for the Department for Environment, Food and Rural Affairs said on the matter. The benefit of the process of parliamentary scrutiny is that particular concerns are evinced so that we can respond. However, I stress that any changes carried into effect under the provisions of the Bill will require the introduction of an order and consultation. We accepted amendments in the other place that allow an enhanced affirmative procedure, so that there is proper consultation. Either House can require that enhanced procedure to be put into effect, so there can be full scrutiny and further discussion. Nothing in the Bill allows precipitate action, but none the less, the Bill allows decisive action, so that we do not have to wait for the roulette wheel to come round to enable primary legislation to be amended.

Simon Hughes: The Minister's last point was important and well made. If the Bill receives Third Reading, will it be helpful and possible for the Minister's office to send out a notice to all the bodies listed in it, so that there can be no misrepresentation of their position or the Government's position?

Mr Maude: That is an extremely helpful suggestion, and I will undertake that we do that. This is not the end of the process, but a work in progress.

We conducted a comprehensive review of all 904 bodies and have made some radical proposals for change, and some significant changes to the landscape have already been put into effect where statutory provisions were not required. However, we have said there should be a triennial review of all the bodies that the review concluded should continue to exist as independent bodies. Therefore, every three years, we will look at whether that body and those functions are still needed, and whether those functions still need to be carried out in a way that is not democratically accountable.

The original Bill contained a catch-all provision, schedule 7, which, frankly, was not well received in the other place—"universally reviled" might be the more straightforward, candid way of putting it. We responded properly, I think, to the vigorously expressed views and undertook to remove the schedule, which we have done, although the procedures in the Bill will still exist, and if a triennial review concludes that there should be reforms—perhaps abolition or merger—to governance or funding, whatever they may be, those procedures could still be used, but beforehand, a short piece of primary legislation would be needed to insert that body into one of the active remaining schedules.

As I said, there has been proper scrutiny, changes have been proposed and some have been accepted by the Government. There are additional safeguards on the processes and procedures in Parliament for approving orders made under the Bill. Furthermore, the Bill now includes clause 27, which contains provision for the abolition of the regional development agencies and makes way for successor arrangements in the form of local enterprise partnerships. The Bill also now includes clause 28, which contains provisions that will change the funding arrangements for S4C and which will place a new duty on the Secretary of State for Culture, Olympics, Media and Sport to ensure that S4C receives sufficient funding to fulfil its public service functions, replacing the outdated and unsustainable funding formula that currently exists under the Broadcasting Act 1990. Those concerned about the independence of S4C should take greater comfort from its funding being channelled through the BBC than through the Government. The BBC is, after all, robustly independent of the Government, while the Government, by definition, are not independent of the Government. I think that the change will enhance S4C's independence.

During the passage of the Bill, we have sought to balance two distinct objectives: proper safeguards on the use of ministerial powers while still giving Ministers the ability to give effect to the commitments that we—and all parties, actually—made at the last election about reforming the landscape. That included a statutory duty to consult; the option for Parliament to opt for an enhanced affirmative procedure; a requirement on Ministers to lay an explanatory document alongside a draft order setting out its purpose and a summary of the representations received during consultation; a sunset clause limiting to no more than five years the length of time a body can appear in the schedules of the Bill; a requirement that orders do not undermine a function that is rightly independent of Ministers, including—importantly—judicial functions; and a requirement that a charity must consent if it is to take on responsibility for delivering a public function. We thought that the latter was implicit, but some were concerned that it needed to be made explicit, which we gladly acceded to.

We made other important concessions. I have referred to the removal of the now notorious schedule 7 and of provisions relating to the reform of the Forestry Commission and the public forest estate. The Bill has therefore been greatly improved. There have been some disagreements, but that is inevitable: we could not conduct a review of 904 bodies and possibly expect every part of both Houses of Parliament to arrive at exactly the same view.

The Government are committed to ensuring that public functions are delivered within a fair, efficient and effective system that delivers good value for taxpayers. The Bill will facilitate this reform, removing duplication, cutting out waste from the system, introducing new ways of delivering important functions and fundamentally improving accountability, which I stress is the Bill's primary purpose. However, there will be savings: we have estimated that the administrative costs alone to public bodies will have reduced by £900 million a year by the end of the comprehensive spending review period—2014-15—and that there will be cumulative administrative savings of at least £2.6 billion over the same period. I hope and believe that that should enjoy widespread support across the House.

The House will be aware that this is not the first attempt by a Government to reduce the number of public bodies. Reviews were conducted under the previous Administration but despite the abolition of a number of public bodies over this period, the number overall continued to grow. I am sure the House will agree that our approach constitutes a more ambitious programme to realise significant and lasting improvements to the public bodies landscape.

We are also conscious that the success of these reforms has to be consolidated by a concerted effort to control the future size and shape of the public bodies landscape. That is why our programme of triennial reviews, to which I referred, will keep the continuing public bodies under regular review and ensure that they do not continue way beyond their useful life—as, frankly, a number of them have done in the past. I hope that the House will come together tonight in support of the important belief that ministerial accountability for public functions and the use of public money should be at the heart of the way we deliver services to the public.

This reform programme will deliver real and long overdue improvements to the accountability of the quango landscape. It will ensure that public bodies exist only where there is a legitimate need for a function to be exercised at arm's length from Government, and it will deliver significant savings during the spending review period.

In conclusion, let me end by thanking the Committee charged with examining the Bill, along with the Chairs and the Clerk. I particularly thank my hon. Friend the

[Mr Maude]

Minister for Civil Society and the Deputy Leader of the House for the good humour and clarity with which they conducted these debates during this time.

9.31 pm

Jon Trickett: It is good to see you back in the Chair, Mr Speaker. I add my own thanks to the Clerks and Committee Chairs for the orderly way in which the business was conducted to those of the Minister for the Cabinet Office. I thought that the Back-Bench contributions sparkled. Let me briefly mention my hon. Friends the Members for Leicester South (Jonathan Ashworth), for North Durham (Mr Jones) who worked hard as the shadow Minister, for Clwyd South (Susan Elan Jones), for Wigan (Lisa Nandy), for Walsall South (Valerie Vaz) and for Telford (David Wright). Proceedings also sparkled in cross-party unity. It was interesting sometimes to find allies in each of the other parties represented in Committee. I mention the hon. Members for Ceredigion (Mr Williams) and for Arfon (Hywel Williams). It was also good to work closely with the hon. Member for Dover (Charlie Elphicke), who is no longer in his place.

It is true that the Bill was somewhat improved following our debates, at least in two matters where the Government accepted defeat—and with some grace, I have to say—on the question of the port of Dover. It was good to see the Minister move the amendment on co-operatives as eligible bodies and particular forms of charitable organisations. All that is very welcome. We worked in good order with good humour. I said many times—and I repeat it now as it is a good thing to say—that the two Ministers were both extremely reasonable, although they were occasionally reasonable men doing unreasonable things.

No Labour Member would object in principle to the idea that we should keep the quango state, as it is called in the United Kingdom, under constant review. In March 2010, the Labour Government set out almost £500 million-worth of savings that could be achieved by reducing the number of arm's length bodies. We expected to reduce their number by 123 by 2012-13. Labour had inherited just over 1,100 quangos when we came to power in 1997; in fact, we axed about 400 of them during our term in office.

I want to put it on the record before making some more general points that we will support properly costed savings in administration, bureaucracy and other forms of overheads. Clearly, if bodies have come to the end of their useful lives, they should be put humanely wherever quangos go when they are no longer needed. We gave the Bill a fair hearing on Second Reading, and did not divide the House. In Committee, too, we tried to be more than reasonable and fair. To an extent, there is a shared agenda and there is certainly a consensus that the quango state should at least be kept under review. However, following Committee and today's debates on Report, I am sorry to say that I find it impossible to recommend that the Bill be given a Third Reading.

All the bodies that we are discussing were established through primary legislation, a process with which we are very familiar, involving reasoned and detailed debate here, in the other place and in Committee. Surely the most appropriate way in which to consider the abolition of most of these bodies is through the same reasoned and detailed debate. It may be possible to deal with some it of through secondary legislation—I do not want to make a universal law—but it seems to me that Ministers are being given far too many powers that will be exercised by means of orders placed before the House. Already, even before the House has finally decided to enact the Bill, the Government have, by administrative means, begun to disassemble the various quangos with which we are now so familiar. They have gutted the regional development agencies, which were there to create jobs, enterprise and growth, and which are needed above all in times of difficulty such as those that we are now experiencing. They have cut staff, changed their functions and reduced their funding without a by-your-leave from the House, although the House spent many weeks, indeed months, setting up the RDAs in the first place. The same applies to the Equality and Human Rights Commission. What I consider a disgraceful 66% reduction in staff has made it difficult for the commission to perform duties that were conferred on it by the House. It is not right for Ministers to take administrative measures to curtail the lives of bodies that were established by Parliament to carry out particular public functions before the Bill has been enacted.

Ministers will claim, as they have done repeatedly, that there will be detailed debate on each body at a later stage through the secondary legislation process. However, it is simply not right for such important issues to be debated only by means of statutory instruments. That is not, in general, the way in which to reverse primary legislation.

In the other place, the Bill was debated for what must have seemed an eternity, particularly to civil servants and Ministers. Literally hundreds of amendments were tabled, and, as we have heard, there was criticism of the infamous schedule 7. The Bill was condemned as a mass enabling act which circumvented the proper and due process of Parliament, and it emerged substantially changed. I am sorry to inform any of their lordships who read the record of tonight's debate that they must again pay special attention to the Bill if it is passed tonight, because so much of it has been dealt with inappropriately. I urge them to look carefully at some of the amendments that have been driven through.

We should remember that when Conservative Members first envisaged the Bill, they said that it was designed to save money. It was extraordinary that the Prime Minister should say that it would save £30 billion, given that two days earlier the Secretary of State, in another newspaper article, had said that it would save £20 billion. Now we hear that, in fact, we will save £2.6 billion. However, we gather from parliamentary questions that I have tabled that the savings will amount to about £1.5 billion. The financial underpinnings of the Bill are a shambles, and that typifies the way in which it has been handled more generally. Therefore, my patience and good-will in respect of the Government's course of action on quangos have tonight been stretched to breaking point.

The House was given less than five hours to consider the Bill on Report, even though there was a glut of Government amendments and a list of incredibly important organisations that ought to have been discussed, but which were not. There was an odd moment in the Lobby, when the Government Whips seemed to be dragging their feet, presumably in order to avoid a debate on the Welsh television channel. Therefore, as I predicted earlier, this evening we have not had an opportunity to deal

with all the matters before the House. We did not get an opportunity to look at the regional development agencies, the Human Fertilisation and Embryology Authority, the Equality and Human Rights Commission or the Human Tissue Authority. Above all, we did not get even a moment to discuss S4C, a vital service to the people of Wales. These are just some of the bodies covered by the Bill which, disgracefully, the House did not have a proper opportunity to debate.

Jonathan Edwards: My colleagues were delighted to see the Labour amendment on S4C. Will the hon. Gentleman confirm that if Labour are returned to power—or when broadcasting is devolved and Labour take control of the Welsh Government—it will honour its commitments?

Jon Trickett: What I will say about S4C is that we tabled our amendment and we made our position clear both in that and in the speeches made in Committee, which the hon. Gentleman can read, and thereby see the precise commitments we made.

Throughout the consideration of the Bill, there has been no appropriate means for consultation or for the making of representations by the many bodies whose futures are being damaged or by their clients who will be affected by these measures. Evidence sessions were not permitted, and bodies who had a case were ignored, as were people who benefit from the services they offer—the disabled who depend on the Equality and Human Rights Commission, for instance, or those who depend on the Royal British Legion.

The Ministers have been fair-minded, but the truth is that this whole process has been ramshackle. Giving Ministers the power to strike down organisations without there being proper parliamentary scrutiny is the worst kind of government; that simply does not meet the high standards this House should expect. The Bill should be condemned based on the decision on the chief coroner alone. For these reasons, the Opposition firmly oppose the Bill and will seek to press the House to a Division.

Several hon. Members *rose—*

Mr Speaker: Order. Seven Members are trying to catch my eye, and the arithmetic is not encouraging, although a self-denying ordinance exercised by the colleagues called to speak in the interests of other colleagues would doubtless be helpful.

9.43 pm

Mr Mark Williams (Ceredigion) (LD): I will be brief, but there are some important points that need to be made. First, I follow the Opposition Front-Bench spokesman in thanking the ministerial team who served on the Bill Committee. Being the mouthpiece for several other Government Departments was an onerous task, and they performed it very effectively.

The Bill has been on a long journey since its introduction in the other place. I hope there is still broad agreement on the original principles. When I was sitting in Committee, I continually reminded myself of the three yardsticks the Ministers had set: transparency, accountability and the economics of quangos. All the parties wish to reduce the number of quangos but, as many were created through primary legislation, it was necessary to adopt a streamlined approach that would allow Ministers to modify and abolish existing quangos. I think the Government now accept—grudgingly, at least—that the initial powers in the Bill as introduced in the other place were far too sweeping. That has changed, and we now have a much better Bill.

As my right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes) and my hon. Friend the Member for St Ives (Andrew George) said, this is still a work in progress. The Ministers in Committee reminded us constantly that this was enabling legislation. As one of my friends who was concerned with S4C alone reminded me today, that is still unfinished business. We have had some welcome news today, but there is still going to be a public consultation, there are still various regulatory hurdles that the Cabinet Office will have to overcome, there will still be an order under the Bill and an operating agreement—at least I hope we will get this—will still need to be reached with the BBC. So there are still issues to be dealt with.

I welcome the fact that this Bill provides for an enhanced devolution process and, in particular, grants Welsh Ministers the power to create their own environmental body to take on the functions of the Environment Agency Wales, the Countryside Council for Wales and the Forestry Commission Wales. I regret, however, that the principle was not extended to consumer advocacy. I know that the right hon. Member for Cardiff South and Penarth (Alun Michael) was hoping to pursue that on Report if his amendment had been accepted—it was the amendment that I moved in Committee.

Alun Michael: I am grateful to the hon. Gentleman for raising that point. It is important that Ministers continue the discussions that have been taking place with the Ministers in the Welsh Assembly Government to ensure that the systems put in place for Wales are appropriate and properly resourced, and that this is not allowed to wither on the vine. I endorse the point that he is making about the importance of this matter.

Mr Williams: I thank the right hon. Gentleman for that comment. As he is aware, the Select Committee on Welsh Affairs is undertaking an inquiry on this matter and we will not allow it to wither on the vine. The requests of the Welsh Assembly Government must be responded to.

In not pursuing the amendment that some of us sought, we are missing an opportunity to ensure that Wales can have the best possible model to deal with consumer policy. The Bill will pass tonight, but in the coming weeks and months the Government will present the results of consultations on the consumer landscape and if they do decide that Wales should have the power on these matters, sadly they will have no suitable legislative vehicle to grant that.

I welcome the announcement on S4C, although I regret more that we did not have an opportunity to talk about S4C today. We had a prolonged debate in Committee on it but, like the hon. Member for Arfon (Hywel Williams), I would have welcomed the opportunity to push our amendment on providing financial stability for S4C. I welcome today's announcement that the BBC will not have representatives on S4C's management board, but S4C will still be reporting to the BBC under the terms of the operating agreement, once it is finalised,

[Mr Mark Williams]

and will be reliant on the BBC for its funding. That decision did not need to be taken now in this Bill; it could have been taken in the forthcoming communications Bill, and concerns remain.

We heard the welcome announcement by the Government that there is now to be a duty on the Secretary of State to provide sufficient funds, although how closely involved the Secretary of State will be remains to be seen. I am firmly of the opinion that this must not just be a rubber stamp of whatever the BBC decides. Like the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards), I feel that until the day when devolution is passed down to the Cynulliad as part of that settlement, the Secretary of State must be central to and engaged in the process.

We do now have a longer-term funding settlement. Again, it is welcome that S4C has a better long-term idea of its funding, albeit not at the level that some of us hoped for. But what we tried to achieve in Committee and hoped to achieve on Report were genuine stable funding criteria that will provide guidance and direction on what S4C requires. That is particularly important to the creative industries in Wales. I have concerns that tying S4C into the operation agreement that it will have—to which it has perhaps reluctantly agreed—means that it is difficult to see protections for its independence, particularly its operational independence.

Guto Bebb (Aberconwy) (Con): Is it not the case that this morning's agreement between S4C and the BBC has guaranteed a six-year funding stream for S4C? In the current economic climate, would not the majority of small businesses be very grateful for a six-year funding guarantee?

Mr Williams: I ask my hon. Friend to examine the justification given some 15 years ago by the Conservative Minister at the time for a stable, formula-based funding settlement for S4C. It was convincing in 1996 and I suggest that that is the direction the Government should have taken.

Nobody at S4C has ever doubted the need to make cuts to reduce costs but the Government need to recognise that the action they are taking is not tinkering around the edges or making a few savings but fundamentally changing the dynamic that makes S4C valued by fluent Welsh speakers and Welsh learners. It is a guarantee for the independence that is valued. This decision should not be taken lightly, but I have to say, without the history lessons that we considered at great length in Committee, that the decision was rushed and taken without due consideration.

I sincerely hope that the arrangements work well and that the assurances that have convinced my hon. Friend the Member for Aberconwy (Guto Bebb) and others are realised but I fear that the S4C we knew has been changed for ever. As someone who represents a Welsh-speaking constituency, I testify to the importance of this issue. I do not regret for one moment the hours we spent talking about these issues on Second Reading and in Committee. Had we been given the chance, we would have spent some time on them on Report as well.

9.50 pm

Jonathan Ashworth: It is a pleasure to speak on Third Reading. I was privileged enough to sit on the Bill Committee and I want to endorse the comments made by the Deputy Leader of the House—the way in which the Committee proceeded was generally very good indeed. I do not want to appear discourteous but I think that he and the Parliamentary Secretary, Cabinet Office, the hon. Member for Ruislip, Northwood and Pinner (Mr Hurd) have made a better fist of defending the Government position on some things than departmental Ministers have this evening. Perhaps they should have been at the Dispatch Box more tonight.

I am conscious that many Members want to speak so I shall just make a few brief remarks. The Bill has been spun in the newspapers as a great bonfire of the quangos—rather differently from the way in which the Paymaster General presented it. We have had briefings to *The Sun*, with an article featuring the headline, "Quango cull saves £30 billion", stating:

> "Cabinet Office minister Francis Maude, writing in The Sun today reveals the giant new sum".

However, the Minister comes and tells us that this is not about saving money, and that may be the case, but it seems that his press officers have been spinning to the newspapers that that is exactly the case.

Let us look at the history of Conservative party policy on this issue. Before the election the Prime Minister talked about needing to save £60 billion from quangos, and I recall the Conservatives' entering the 2005 election with the James review and talking about abolishing quangos. I do not think that the Paymaster General was in the shadow Cabinet at that time, but one of his Ministers in the Cabinet Office was the shadow Chancellor. Many of the bodies that were proposed for abolition in the James review have, hey presto, ended up being proposed for abolition in this Bill, so when the Minister says that all this is not driven by savings, cost-cutting and trying to get rid of bureaucracy and paper clips, I am a little sceptical.

I am also a little sceptical about the savings that the Government claim they will make. My hon. Friend the Member for Hemsworth (Jon Trickett) has found out, through a series of parliamentary questions and freedom of information requests, that far from making administration savings of £2.5 billion, they are more likely to make savings of £1 billion or so. They have talked about making huge capital savings of about £11 billion from the Department for Communities and Local Government, for example, but I do not see where those savings are going to come from in the Bill. There are certainly some big ticket items—for example, the regional development agencies' going is a major saving—but I do not know whether Ministers have taken into account the effects on economic growth. I know they will disagree with this, but Lord Heseltine thinks it is a mistake to get rid of RDAs. He has also said that now RDAs are being abolished, Departments are setting up departmental empires in the regions. Has the Paymaster General accounted for that in his figures?

When we look at the ways in which a number of bodies are being abolished, there are further questions. The case of the Audit Commission, for example, although not in the Bill is instructive none the less. The Secretary of State announced its abolition and people at the

commission entered into redundancy negotiations, but in February this year they were told that the commission will continue to be open for business until 2014. How much did that cost?

There are also some examples in the Bill. The merger of the Central Arbitration Committee and the Certification Officer will probably produce a negligible saving. We can argue about whether it is right to merge them, but surely a cost will be associated with doing so, because of the need for new branding, a new name, new offices and so on. Has the Paymaster General taken that into account? Perhaps most ludicrously, the Football Licensing Authority was removed from the Bill and replaced by the Sports Ground Safety Authority—a body welcomed by Ministers—which will now be abolished, but not until 2012. Again, Ministers cannot tell us what will happen to its staff and what savings will be made.

I am running through this very quickly, and I shall come to an end. Generally, there is much scepticism about the savings that the Paymaster General expects to make. There are certainly some good things in the Bill—for instance, abolishing unnecessary quangos such as the Victims Advisory Panel, which has not met since 2009. I am pleased that Ministers have now accepted the amendments tabled by the hon. Member for Dover (Charlie Elphicke). He spoke eloquently in Committee, and he got those amendments through because of Labour Members. Overall, I am afraid that this is a bad Bill. In places, it is ill thought out. It is potentially costly, and I will oppose it.

9.56 pm

Valerie Vaz (Walsall South) (Lab): I pay tribute to all hon. Members, including Ministers, who served on the Bill Committee. Members will think that we had a good time, and we did. We had a great time, with a lot of laughter. The tears, however, came from the Opposition, partly because of the different bodies that will be abolished.

I want to touch on three major bodies, the first of which is the Equality and Human Rights Commission. Of course, I would mention it; as a woman, I have felt the effects of an increase in equality because of such bodies. The Minister talked about the cost. It costs £1 for every person in Britain. That is a small price to pay for equality. Equal pay is still an issue. The case of Gibson *v.* Sheffield city council in 2011 involved women carers who were not paid the same as their male counterparts, who got a productivity bonus. There is still much to be done, including for those people who have a background of disabilities. Lesbian and gay issues are still not accepted by everyone.

The other two bodies that I want to touch on are the Human Fertilisation and Embryology Authority and the Human Tissue Authority, which were born of a need to protect embryos and human tissue. The establishment of the HTA is the result of the retention and use of children's organs without parental consent and the Bristol heart surgery scandal, which involved 170 babies. The establishment of the HFEA is the result of the report by Baroness Warnock—an eminent and iconic figure—on the special status of the embryo, and it was created under a Conservative Government.

This cannot be money-driven. The Minister is wrong, because those bodies cost £2 million and £1 million respectively. They generate their own income. They are trusted, independent organisations, with two brilliant women as chairs—Professor Lisa Jardine at the HFEA and Baroness Warwick at the HTA. It is no wonder that the Women's Institute is upset with the Government, because they are getting rid of the EHRC and attacking those two brilliant women.

The future plans for those two organisations include placing them in a research body that has not yet even been founded, with other parts of them going to the Care Quality Commission. Hon. Members should read the report of the Health Committee, of which I have been a member, because it raises grave concerns. Those bodies give the public confidence. They are internationally renowned. They are asked for advice throughout the world. They should be left alone to carry on and do their important work.

9.58 pm

Frank Dobson (Holborn and St Pancras) (Lab): I endorse everything that my hon. Friend the Member for Walsall South (Valerie Vaz) said. It is a great credit to the people in the Human Fertilisation and Embryology Authority that they have done such a good job, but it is a great credit to the House that in that sphere, where there are a great many ethical and practical problems, and where some people wanted no research done and others wanted no restrictions on that research, the House, after lengthy deliberations over two decades, came up with a system that works and is well thought of all over the world, and we are expected to dismiss it in a farcical five minutes at the end of a debate on the Bill.

Question put, That the Bill be now read the Third time.

The House divided: Ayes 300, Noes 224.

Division No. 376] **[9.59 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Steve
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Campbell, rh Sir Menzies
Carmichael, Neil
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn

Davies, Philip
de Bois, Nick
Djanogly, Mr Jonathan
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freer, Mike
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pugh, John
Raab, Mr Dominic
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Syms, Mr Robert
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wright, Jeremy
Wright, Simon
Young, rh Sir George

Tellers for the Ayes:
Stephen Crabb and Norman Lamb

NOES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann

Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Danczuk, Simon
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Fitzpatrick, Jim
Fiello, Robert
Flint, rh Caroline
Flynn, Paul
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Murphy, rh Mr Jim
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Ritchie, Ms Margaret
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Owen
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Yvonne Fovargue and Nic Dakin

Question accordingly agreed to.

Bill read the Third time and passed, with amendments.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

CONSTITUTIONAL LAW

That the draft Public Services Reform (Scotland) Act 2010 (Consequential Modifications of Enactments) Order 2011, which was laid before this House on 14 July, be approved.—*(Angela Watkinson.)*

Question agreed to.

BUSINESS OF THE HOUSE (26 OCTOBER)

Ordered,

That, at the sitting on Wednesday 26 October, paragraph (2) of Standing Order No. 31 (Questions on amendments) shall apply to the Motions in the name of Edward Miliband as if the day were an Opposition Day; proceedings on the Motions may continue, though opposed, until the moment of interruption and shall then lapse if not previously disposed of; and Standing Order No. 41A (Deferred divisions) shall not apply.—*(Angela Watkinson.)*

COMMITTEES

Mr Speaker: With the leave of the House, we will take motions 6 and 7 together.

Ordered,

SCOTTISH AFFAIRS

That Cathy Jamieson and Fiona O'Donnell be discharged from the Scottish Affairs Committee and Iain McKenzie and Graeme Morrice be added.

WORK AND PENSIONS

That Kate Green be discharged from the Work and Pensions Committee and Sheila Gilmore be added.—*(Geoffrey Clifton-Brown, on behalf of the Committee of Selection.)*

PETITION

Wharfedale Hospital Ward 1 (Otley, West Yorkshire)

10.15 pm

Greg Mulholland (Leeds North West) (LD): I present a petition from more than 3,000 people on behalf of the Support Wharfedale Hospital campaign, which is a campaign group in my constituency formed for the whole community to show its support for Wharfedale hospital in Otley.

The petition states:

The Petition of residents of Leeds,

Declares that the Petitioners oppose the decision by Leeds University Teaching Hospitals Trust to close Ward 1 at Wharfedale Hospital and oppose any further loss of services at the hospital.

The Petitioners therefore request that the House of Commons urges the Government to encourage Leeds University Teaching Hospitals Trust and NHS Leeds to commit to Wharfedale Hospital's future as a genuine community NHS hospital.

And the Petitioners remain, etc.

[P000971]

Constitutional Status (Scotland)

Motion made, and Question proposed, That this House do now adjourn.—*(Angela Watkinson.)*

10.16 pm

Mr Tom Harris (Glasgow South) (Lab): Thank you, Mr Speaker, for the opportunity to lead this important debate about the future of my nation. It will not have escaped your notice that the results of last May's Scottish Parliament elections were less than satisfactory as far as my party is concerned. We now have a majority Scottish National party Government at Holyrood, a Government who are committed to ripping Scotland out of the most successful political and democratic union the world has ever seen.

Although I disagree fundamentally with the nationalists and the very notion of identity politics—my party has always believed that people are rather more important than borders—I nevertheless concede and recognise that the SNP now has a mandate to hold a referendum on whether Scotland should be a nation separate from the rest of Britain and, consequently, Europe.

I want to take the opportunity of this debate to remind the nationalists that the electorate have given them a mandate, not a blank cheque. I want to know from the Minister whether, if the SNP proves to be incapable of holding a free and fair referendum, the UK Government will have any role in ensuring that the Scottish people are properly consulted about the future of our nation. The SNP manifesto earlier this year stated:

"Independence will only happen when people in Scotland vote for it. That is why independence is your choice. We think the people of Scotland should decide our nation's future in a democratic referendum and opinion polls suggest that most Scots agree. We will, therefore, bring forward our Referendum Bill in this next Parliament. A yes vote will mean Scotland becomes an independent nation."

Unfortunately, since unexpectedly achieving an overall majority at Holyrood, the First Minister seems to have decided, rather counter-intuitively, that the manifesto on which he was elected matters less than it would have mattered if he had been forced to govern again as a minority. Even now, many SNP members claim that their party's mandate is to hold the referendum towards the end of this Parliament. The manifesto says no such thing. The First Minister is entitled to hold a referendum at a time of his choosing, and it could be next year, or in 2015 if that is his preference. He obviously knows when it will be, and it beggars belief to suggest that he and his cohorts have not at least narrowed down the time to two or three possible dates. Why will they not share that information with Scotland? Are only high-ranking members of the party entitled to that information?

Whatever one's view of independence, I am sure we can all agree that this debate will inevitably cause a degree of uncertainty in Scotland. Even if Alex Salmond today condescended to share the date of the referendum with us mere mortals, a degree of uncertainty and financial instability would ensue. The SNP could choose to minimise that, but instead chooses not to do so. More important than the effects on future investment decisions is the simple democratic right of ordinary Scots to know precisely what plans the SNP has for our nation.

Nor does the SNP manifesto feature a commitment to lowering the voting age for the referendum, yet that seems to be exactly what the SNP is planning, since it clearly believes that the chances of the people endorsing their plans for independence would be less if the existing franchise were used. The SNP will, no doubt, point to its long-standing commitment to joining Nicaragua, Cuba, and Ecuador in the group of nations where 16-year-olds vote. Polling suggests that younger people are more likely to support independence, so who can doubt that a one-off reduction in the voting age for one specific event can be anything other than the most cynical move to get the "right" result? If the SNP really cared about enfranchising younger people, why has it made no progress towards lowering the voting age for local authority elections, over which it does have legislative control?

Thirdly, the SNP seems to have a problem with the idea of the Electoral Commission having any oversight of the referendum. I suspect I know why. When the Deputy Prime Minister announced his preferred question to put before the people in the AV referendum, the Electoral Commission said no and insisted on a more objective, more easily understandable question. I think that the Deputy Prime Minister's preferred question was "AV is great, isn't it?" To be forced to ask the Scottish people a straightforward, understandable question is something that the SNP, bizarrely, cannot tolerate.

Then there is the biggie: so-called full fiscal autonomy. However long it will be before the referendum, it is unlikely that this option—whatever we call it, whether it is "Devo Max", "Independent Lite" or "I Can't Believe It's Not Independence"—is likely to be any better defined than it is today; it will still mean whatever one wants it to mean, which undoubtedly explains why it is consistently the most popular option in the opinion polls. Not only is it ill defined, it is not even deliverable, since it would affect fundamentally the way in which the whole of the United Kingdom, not just Scotland, was governed. Scotland imposing a form of government on the rest of the UK would be no more acceptable than the other way round.

Moreover, once again, there is nothing in the SNP manifesto, nor in anyone's manifesto, to justify the addition of a third option on the ballot paper.

Pete Wishart (Perth and North Perthshire) (SNP): Will the hon. Gentleman give way?

Mr Harris: I am tempted; of course I will.

Pete Wishart: I have been listening very carefully to what the hon. Gentleman is saying. When does he think that Westminster should take over the whole referendum process? Given that he is so concerned, perplexed and exercised about the third question, what does he have to say to Lord Foulkes, Malcolm Chisholm, former First Ministers and those of his hon. Friends who believe that a third option should be put on the referendum?

Mr Harris: When the SNP starts telling us dates, I will, in turn, give the hon. Gentleman some dates for any deadline that the UK Government might wish to impose.

Even in his typically humble and understated conference speech in Inverness on Saturday, the First Minister gave an opaque hint that "Separation Lite" might yet be included on the ballot paper, but he fell short of clarifying the issue, though his spin doctors had told the press in advance that that was exactly what he intended to do. Let us be clear that none of these things—the refusal to name a date, the lowering of the voting age, the exclusion of the Electoral Commission and the inclusion of a third, vague option—was in the SNP manifesto, and for a very good reason: fair-minded Scots would have concluded that someone, somewhere, was attempting a constitutional sleight of hand; and they would have been right. Whether or not the Scottish people wish to remain part of the UK, it is of the utmost importance that the result of any referendum cannot be second-guessed, misinterpreted, reinterpreted or undermined. It must not be ambiguous.

In 1995, the people of Quebec were asked to take part in their second referendum on independence. One might be forgiven for assuming that the question on the ballot paper was, "Do you want Quebec to become independent?" That would have been far too honest and straightforward a question. After all, the actual question was framed by nationalists. This is the question that was put to Quebec's voters in 1995:

> "Do you agree that Quebec should become sovereign, after having made a formal offer to Canada for a new economic and political partnership, within the scope of the Bill respecting the future of Quebec and of the agreement signed on 12 June 1995?"

Very straightforward, is it not? Given the high esteem in which Scottish nationalists hold the separatists of Quebec, I expect that they looked upon that wording and on the narrow margin of defeat that it suffered with envy and admiration.

It would be a great shame if the nationalists' posturing, prevarication and cowardice on the referendum were to result in the same kind of solution to which the Canadian Parliament was forced to resort: a Clarity Act to ensure that certain basic principles of transparency and honesty were adhered to in any referendum. That is not a road that I want to go down, but it is something we may have to consider. After all, the sovereignty of the Scottish people and our right to a fair and honest say in the future of our nation trump the pomposity and pride of Scottish Government Ministers of whatever rank.

Perhaps this jiggery-pokery—I do not know whether this will be the first time that that phrase will appear in *Hansard*—is understandable from a nationalist perspective. After all, politics is about priorities and the SNP priority is independence, nothing else. Jobs, the economy, the health service, schools, the fight against poverty—none of those issues matter as much to the nationalists as the prospect of replacing the words "United Kingdom" with the word "Scotland" on their passports. Perhaps in their minds, the end justifies the means. In my mind, and in the minds of the great majority of Scots, it certainly does not.

It is not too late. The Scottish Government could, even now, rescue their reputation and re-establish their commitment to Scottish democracy by making it clear that the question we were promised—yes or no to independence—will be asked, with no fudging, no cheating, no rigging, and with complete transparency. The Scottish people deserve that at least.

If the SNP Government cannot rise to the challenge of delivering their own manifesto commitment, we may have to accept that the UK Government have a role to play. Alex Salmond is highly thought of in Scotland. *[Interruption.]* He is. He is a substantial politician and I have no doubt—I am not being sarcastic—that he loves Scotland dearly. If he is guilty occasionally of putting

[Mr Tom Harris]

his party's ambitions above those of the Scottish people, it is only because he too often conflates the two. So what would it say about Alex Salmond if the right hon. Member for Witney (Mr Cameron), the Prime Minister, turned out to be more capable than he of delivering the SNP's key manifesto commitment?

10.28 pm

The Parliamentary Under-Secretary of State for Scotland (David Mundell): I congratulate the hon. Member for Glasgow South (Mr Harris) on securing this debate on what is an important issue, and I thank all hon. Members for their presence at it. I note the hon. Gentleman's participation in the contest for the leadership of the Scottish Labour party. I would wish him well, but I know that that would damage his chances. There is also a contest for the deputy leadership of the Scottish Labour party. As I have already made clear, when a newspaper headline read, "Mundell Backs Davidson", it did not refer to the hon. Member for Glasgow South West (Mr Davidson), so that should help his chances.

The Government have been clear that they are totally opposed to the break-up of the United Kingdom. The Prime Minister has committed to working constructively with the devolved Administrations on the basis of mutual respect. There are many issues on which the Government have worked successfully with the Scottish Government. However, we do not agree with the Scottish Government in their pursuit of separatism. On that issue, we will give them no succour. Whatever factors played a part in May's election result, a rise in support for Scottish separatism was not one of them.

However, let me be clear that we are not complacent about the Scottish Government's call for a referendum on the breaking up of the United Kingdom. We are challenging them. They must answer the substantive questions, to which the hon. Member for Glasgow South referred, about what they mean by "independence". They have been uncharacteristically shy in setting out exactly what independence would involve and what it would cost.

After repeated questioning, the Scottish Government have now told me that the 2009 White Paper "Your Scotland, Your Voice" and the 2010 draft Referendum (Scotland) Bill hold all the answers. As hon. Members would expect, we are scrutinising those papers thoroughly. However, so far they appear simply to raise more questions than answers. We now also have another glossy SNP pamphlet entitled "Your Scotland, Your Future", in which, as usual, dozens of promises are set out but there are no facts and no evidence.

The hon. Gentleman raised valuable points about the Scottish Government's proposed referendum. First, the date of the referendum is crucial. Not only is the current situation unsettling, but many people's patience is being tested by the lack of detail coming from the Scottish Government on what independence would actually mean. Business leaders are now beginning to say that they are worried about the uncertainty that that is creating about Scotland's future, which is damaging to Scotland and to the United Kingdom. We are trying to get more detail out of the Scottish Government. At present, all that we have to go on is the vague time line of

"the second half of the parliamentary term"

and no other detail. We do not have to accept that that is satisfactory. As the hon. Gentleman said, that time scale was never a manifesto commitment. In fact, the First Minister revealed the notion only a week before the elections took place. If the case for separatism is so strong, why wait to hold the referendum?

Secondly, the hon. Gentleman mentioned the referendum question. The First Minister has raised the prospect of "devolution-max", also known as "independence-lite", or possibly "full fiscal autonomy", and is dangling it as a supposed third way. That is a fallacy. There is no third way. The only choice is between separatism and remaining in the United Kingdom.

We can review and update the devolution settlement, as Calman did and as the Scotland Bill is currently doing. The Calman commission, formed through cross-party consensus, recognised the strength and benefits of the economic and social union between Scotland and the rest of the United Kingdom. Its recommendations are now being implemented through the Scotland Bill, which represents a radical, historic and significant change to the financing of public services in Scotland. We can allow the settlement to evolve, but selling the Scottish people the undefined SNP construct of "devo-max" is selling the Scottish public a pig in a poke. Any referendum question needs to be clear—yes or no to separatism. As the hon. Gentleman said, anything else would simply be jiggery-pokery.

Thirdly, the hon. Gentleman mentioned the franchise. The Scottish Government have indicated that 16 and 17-year-olds should be given the right to vote in any referendum. Many people are already suspicious that the SNP is trying to rig the electorate to get the result it wants. Is it appropriate to experiment with changes to the franchise on a matter of such importance as the future of Scotland?

Finally, the hon. Gentleman discussed the role of the Electoral Commission. It is an independent body, respected for ensuring transparency in polls across the United Kingdom. In their 2010 draft referendum Bill and consultation paper, the Scottish Government stated that they intended to create their own electoral commission for any referendum. Questions have to be asked about that course of action. What is wrong with the current Electoral Commission, which has delivered so much in Scotland to date? What is the motive behind the Scottish Government creating their own commission? How many extra costs would that create for the taxpayer?

The hon. Gentleman also made a valid point about the Canadian Clarity Act, and it is worthy of further consideration. Hon. Members will be aware that the Scottish Affairs Committee is holding two inquiries into questions relating to a referendum and what the break-up of the United Kingdom would mean for Scotland and the rest of the UK. I have no doubt that academics and experts called before the Committee will be keen to explore the Canadian Clarity Act and its parallels with Scotland.

Mr Ian Davidson (Glasgow South West) (Lab/Co-op): The Minister correctly identifies that the Scottish Affairs Committee is looking at aspects of a separation referendum. Will he make the resources of government, particularly civil servants, available to provide information to the Committee? That would help us to clarify some of the

questions that we identify in our current trawl. Those issues will require settlement before any referendum is held, so that the Scottish public can be well informed.

David Mundell: I can give the Committee Chairman that assurance. The Government will do everything we can to support the Committee's work, because we believe that the people should be well informed before any referendum takes place. We sincerely hope that the Scottish Government will follow our example and be forthcoming with the same level of information, which is required not just by the Committee, but by the people of Scotland if they are to make a decision on this important matter.

Pete Wishart: The Minister does not quite understand that the days of this House determining and dictating what the Scottish do in future are over and gone, and do not matter any more. Does he foresee any situation or condition in which this Westminster Conservative Government will take over the referendum process?

David Mundell: If the hon. Gentleman believed a word of that diatribe, he would call the referendum now and demonstrate what the people of Scotland think.

We share so much in common across the United Kingdom and we have a successful partnership that delivers stability and prosperity for all parts of the nation. I think we will see people across Scotland coming out in favour of the most successful economic and social union ever when they eventually get the chance to vote. It is right to keep the United Kingdom together when so much unites us. The best of the UK is still to come.

Let hon. Members be in no doubt that the Government will not be neutral on the break-up of the United Kingdom. We will continue to argue for a better future for Scotland within the UK. We look forward to continuing this debate and to contributing to the Scottish Affairs Committee inquiries in due course, and to the Scottish Government's co-operation with those two inquiries, when they can answer the questions raised in the debate. What the people of Scotland need now is not vulgar triumphalism from Mr Salmond and glossy brochures from the SNP, but facts, evidence and answers.

Question put and agreed to.

10.38 pm

House adjourned.

House of Commons

Wednesday 26 October 2011

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

LONDON LOCAL AUTHORITIES BILL [*LORDS*]

Motion made, That the Bill be now considered.

Hon. Members: Object.

Mr Speaker: I was about to say, "The Question is that the Bill be now considered." Objection taken. The hon. Member for Christchurch (Mr Chope) is always quick off the mark.

Bill to be considered on Wednesday 2 November.

Oral Answers to Questions

INTERNATIONAL DEVELOPMENT

The Secretary of State was asked—

Central America

1. **Kerry McCarthy** (Bristol East) (Lab): What recent assessment he has made of the humanitarian situation in central America; and if he will make a statement. [76677]

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien): First, on behalf all right hon. and hon. Members, may I express our sympathy, concern and deep condolences to the people of central America who are affected by the floods, especially those who have lost loved ones and their homes? The hon. Lady will have noted the statements made on 14 and 20 October by the Minister of State, Foreign and Commonwealth Office, my hon. Friend the Member for Taunton Deane (Mr Browne). We have made an assessment of need, and currently we judge that the Governments and national relief agencies of those countries, supported by neighbouring countries such as the United States, and agencies such as the United Nations and International Committee of the Red Cross, are responding well and providing sufficient essential humanitarian aid.

Kerry McCarthy: I appreciate that the Department for International Development is not involved in central America, but it is the best agency in the world for delivering disaster relief, as has been shown in places such as Pakistan. May I therefore urge the Minister to keep a close eye on the situation? Will he be ready to respond if our services—not just funding, but expertise—are called on?

Mr O'Brien: I am grateful to the hon. Lady for noting the technical expertise of the UK response and the Department. Of course, with official advice, we are keeping very close track of the situation, and we will take the necessary steps as called upon. However, our attribution through the multilateral agencies that we fund is clearly playing its part. Therefore, the UK taxpayer is indeed supporting the relief effort in that part of the world.

Andrew Rosindell (Romford) (Con): May I thank the Secretary of State for his excellent recent meeting with central American ambassadors, including the high commissioner of Belize? Will the Minister confirm that the Government will work more closely with the countries of central America—an important part of the world with which we have a lot in common, and with which we should co-operate more closely?

Mr O'Brien: I am delighted to note that excellent meeting—the Secretary of State found it extremely enjoyable and helpful. Those many nations and our country are working to strengthen and develop our relationships, particularly on climate change and trade.

Jim Shannon (Strangford) (DUP): The people of the UK are very generous, but it is estimated that some 30% of humanitarian aid is removed at the harbour at which it arrives. Will the Minister give an assurance that he will have discussions with the countries that receive humanitarian aid to ensure that all of it gets to the people for whom it is intended?

Mr O'Brien: The hon. Gentleman raises an important point about ensuring that the money reaches the destination and serves the purpose for which it is intended. That is absolutely central to the redirection of the Department for International Development's aid effort in the past year. We are ensuring that we align every effort to results, to ensure that the money reaches the purposes intended.

World Population

2. **Richard Ottaway** (Croydon South) (Con): What steps his Department is taking to meet the consequences for developing countries of a growing world population. [76678]

The Secretary of State for International Development (Mr Andrew Mitchell): Britain is extending to at least 10 million more couples the availability of contraception, so that women can choose whether and when they have children. We are also boosting programmes in health and education with a particular focus on girls and women.

Richard Ottaway: The world's population will go past 7 billion this week, with profound effect. We have millions living in poverty, shortages of food and water and inadequate health provision. Does the Secretary of State agree that one root cause of that is the unmet demand for contraception from some 200 million women living in sub-Saharan Africa?

Mr Mitchell: My hon. Friend, who knows a good deal about this matter, is absolutely right. Indeed, I have been reading a pamphlet that he published—within the past two days, I believe—entitled "Sex, Ideology and Religion", which is a treatise on population. He

refers to the 215 million women who want, but have no access to, contraception. The Government are directly seeking to tackle that, not least in respect of the extra 10 million women. That is a good start, but we will do more over the next four years.

Ann McKechin (Glasgow North) (Lab): What steps is the Secretary of State taking to help women to enforce their legal rights to a minimum age for marriage, and to property and succession, which are clearly important to ensuring that women have a proper economic entitlement in their countries and to supporting planned families?

Mr Mitchell: The hon. Lady is right to mention early marriage, which we are seeking to tackle in particular. We have conducted a pilot study with the Nike Foundation, with which we work closely, on preventing early marriage in the Amhara part of Ethiopia. The results of that pilot are excellent, and I can assure her that we are including in all our programmes, as a fundamental pillar of our work with girls and women, the point that she accurately made about stopping early marriage.

Malcolm Bruce (Gordon) (LD): The Secretary of State is right to stress the rights of women to choose when to have children and how many to have, but does he also agree that the evidence is that if we can promote sustainable development the necessity for large families diminishes and population pressures tend to reduce, and that that ought to be at the heart of the Government's objectives in partnership with our development partners?

Mr Mitchell: My right hon. Friend is absolutely right. A classic example is the work that the Government are doing and the priority that we accord to getting girls into school. We know that girls who are educated get married later and have fewer children. That is a good example of what he is saying.

Mr Speaker: I call Mr Barry Sheerman. He is not here.

Uganda

4. **Mr Douglas Carswell** (Clacton) (Con): What assessment he has made of the effectiveness of budget support aid provided to Uganda. [76680]

The Secretary of State for International Development (Mr Andrew Mitchell): There is a narrow role for general budget support in Uganda, but I am reducing its level by 80% over the next four years.

Mr Carswell: Is there not a danger that budget support paid to the Ugandan Government helps to make them accountable to British officials, when we should be trying to make them more accountable to their own people?

Mr Mitchell: My hon. Friend, who knows a good deal about Uganda, is correct to say that that is a danger, which is why the Government have made it clear that wherever we use general budget support, we will always ensure that up to 5% of the money is spent on enabling civil society to hold its own Government and Executive to account.

Tony Cunningham (Workington) (Lab): What steps is the Secretary of State taking to provide support and aid to the 2 million people forced from their homes by the terrible conflict in Uganda?

Mr Mitchell: First, I welcome the hon. Gentleman to his new position. He has emerged from six and a half years in the Whips Office, so it is a relief for everyone to hear that he can still speak.

The hon. Gentleman rightly makes it clear that the importance of tackling conflict should be at the heart of development policy. Of all the 28 countries with which we have a bilateral programme, about three quarters are directly engaged in or have recently come out of conflict. That is an important aspect of everything that we do.

Green Economies (Caribbean)

5. **Dr Daniel Poulter** (Central Suffolk and North Ipswich) (Con): What steps his Department is taking to assist countries in the Caribbean to develop greener economies. [76681]

The Minister of State, Department for International Development (Mr Alan Duncan): We are supporting the Caribbean to develop greener economies both bilaterally and through multilaterals. That support includes the development of renewable energy, such as bioethanol from banana waste in St Lucia, developing and implementing a low-carbon growth strategy in Guyana, and helping Anguilla implement a 10-year plan for achieving carbon neutrality.

Dr Poulter: The Minister will be aware that at the Copenhagen summit there was discussion about funds being made available to islands such as those in the Caribbean, which are particularly susceptible to climate change, in order to combat the challenges that they face. Will he update the House on discussions his Department has had with those in the Caribbean, and other small islands, on supporting them in that respect?

Mr Duncan: Negotiations on designing the green climate fund instrument are not due to be concluded until the UN framework convention on climate change conference in Durban this December. The proposal that will be submitted to the conference would make resources for adaptation and mitigation available for all developing countries, including those in the Caribbean, and hence should also include other small island developing states.

Rushanara Ali (Bethnal Green and Bow) (Lab): As well as prioritising the need for developing greener economies in the Caribbean and other islands ahead of the Durban conference, what are the Government doing—I want to reiterate this point—to provide international leadership to ensure that the commitment made in Copenhagen to raise $100 billion per year by 2020 is met by the international community, so that, as has been said, the most vulnerable countries get the support that they need for adaptation and mitigation?

Mr Duncan: I can assure the House, and the hon. Lady, that climate change is one of the three pillars of our development policy in the Caribbean. The UK is working bilaterally in the overseas territories, as well as

regionally across the Caribbean with institutions such as the Caribbean Community Climate Change Centre and the Caribbean Development Bank, as well as other donors, to promote green economies in the Caribbean and address the broader challenges of climate change.

Palestine

6. **Michael Connarty** (Linlithgow and East Falkirk) (Lab): What plans he has to visit Palestine to assess the humanitarian situation. [76683]

The Minister of State, Department for International Development (Mr Alan Duncan): I visited the west bank in July and saw at first hand the difficulties faced by Palestinians, particularly in Area C. The Secretary of State is keen to visit when his schedule permits.

Michael Connarty: I am grateful for that positive response from the Minister. I am sure that, like me, he reads the reports of the Office for the Co-ordination of Humanitarian Affairs occupied Palestinian territory, which I believe every Member should look at regularly. Some 90% of the water in the aquifer in Gaza is undrinkable, while up to 80 million litres of raw or partly treated sewage is going into the sea, and the Israeli authorities have just bulldozed six wells on the west bank. Surely nothing can be more pressing than a man-made humanitarian disaster on this scale. We must take positive action, and the Secretary of State must go and see it for himself.

Mr Duncan: Notwithstanding the difficulties of getting into Gaza, we have a broad measure of sympathy with what the hon. Gentleman has said. We are deeply concerned about the impact of restrictions on Palestinians living in Area C and Gaza. Access to water and land is restricted, food insecurity is high, and 18% of Palestinians in the west bank are living below the poverty line.

Martin Horwood (Cheltenham) (LD): The minority Bedouin population of Israel and the Palestinian territories is particularly vulnerable to the conflicts over water, land use and boundaries in that part of the world. Will Ministers raise their plight with the Israeli and Palestinian authorities as an urgent humanitarian priority?

Mr Duncan: We do that regularly, and—in answer both to that question and the previous question—we also reiterate that Palestinians have access to only 20% of west bank water resources, which means that Palestinians have the lowest access to fresh water in the region. As the hon. Member for Linlithgow and East Falkirk (Michael Connarty) said, 90% of drinking water in Gaza does not meet international standards. We continue to call on Israel to cease actions that prevent Palestinians from gaining access to the clean drinking water to which we are all entitled.

International Development Outcomes

7. **Nick de Bois** (Enfield North) (Con): What assessment he has made of the international development outcomes of the UN General Assembly; and if he will make a statement. [76684]

The Secretary of State for International Development (Mr Andrew Mitchell): Our focus at the United Nations General Assembly was threefold: maintaining momentum on the girls and women agenda; driving forward the lessons of the Government's humanitarian and emergency response review; and ensuring that people focus on achieving the millennium development goals by 2015. Progress is being made in each area.

Nick de Bois: I thank the Minister for that answer. A year on from the Secretary-General's Every Woman, Every Child initiative, launched at last year's General Assembly, what progress is the UK making on the commitment to save the lives of 50,000 women and 250,000 newborns?

Mr Mitchell: I thank my hon. Friend for his comment. We now publish—in the bilateral aid review and the multilateral aid review—precisely who we will support to achieve those objectives and how we will do it. Over the coming years we will be able to demonstrate that we are going further than we set out in the bilateral aid review, and the results that we achieve in all these areas—particularly in saving lives and advancing contraception—point to extremely good progress.

Mark Durkan (Foyle) (SDLP): What priority is the Secretary of State giving to improving food security and agricultural markets and, in particular, the role of women marginal farmers?

Mr Mitchell: This is a particular priority for the Government, not least in the horn of Africa, where we have seen severe food stress and food insecurity, especially in Somalia. It is also likely to be a focus next year, as we build on the progress being made through, for example, our work with the World Food Programme in Karamoja, where food insecurity and food aid are being replaced by progress and food security.

Somalia

8. **Kevin Brennan** (Cardiff West) (Lab): What steps he is taking to support reconstruction in Somalia. [76685]

The Secretary of State for International Development (Mr Andrew Mitchell): Reconstruction in much of Somalia remains difficult because of the ongoing conflict. My primary concern is to help to save the lives of the 750,000 people, mostly women and children, who are facing starvation and disease.

Kevin Brennan: Does the Secretary of State agree that the recent interception of two young men from Cardiff—one from my constituency, the other from that of my right hon. Friend the Member for Cardiff South and Penarth (Alun Michael)—shows that it is in our national interest to ensure that we are engaged in reconstruction in Somalia? Will he commit to sustaining the Government's support for the response in Somalia through 2012, and urge our Disasters Emergency Committee partners and others to do the same?

Mr Mitchell: The hon. Gentleman is absolutely right. The whole of our development budget is spent in Britain's national interest, and a large chunk of it goes to support our own security and prosperity here at home. Somalia

is one of the most dysfunctional countries in the world. It is a classic example of a failed state where, because we were unable to tackle the causes of deep poverty, we are now dealing with the symptoms of both poverty and deep insecurity.

Fair Trade Projects

9. **Nic Dakin** (Scunthorpe) (Lab): What steps his Department is taking to promote fair trade projects in developing countries. [76686]

12. **Steve Rotheram** (Liverpool, Walton) (Lab): What steps his Department is taking to promote fair trade projects in developing countries. [76689]

The Minister of State, Department for International Development (Mr Alan Duncan): DFID believes that people can never escape poverty without the opportunity to produce and trade freely. By promoting open markets and a strong framework for international trade, we are helping to support fair market access for poor people. We aim to double the number of fair trade certified producers to 2.2 million by the end of 2013, and to improve working conditions in global supply chains.

Nic Dakin: I thank the Minister for his response. What steps is he taking to ensure that the Doha round of talks is completed and that a fair deal on trade will be achieved for developing countries?

Mr Duncan: That is an essential objective for the entire Department. International progress towards the conclusion that we would like to see is proving somewhat difficult, but we will continue our great effort to try to secure an improved trading environment for the world.

Steve Rotheram: What steps is the Secretary of State taking to ensure that fair trade best practice is reflected in the Government's public procurement policy?

Mr Duncan: We optimise as far as possible everything that DFID and the Government buy, so that the fair trade label appears wherever it possibly can within government. That remains our objective in all that we do.

Greg Mulholland (Leeds North West) (LD): We do indeed need more fair trade projects in developing countries, but that also relies on people buying more fair trade products here. Will the Minister commend and wish well the campaign to make Yorkshire and the Humber the first UK fair trade region?

Mr Duncan: We strongly support objectives of that sort. There are many towns across the country that have secured fair trade status. The Department and I—and, I hope, all of us—are enthusiastic supporters of fair trade, which is not just a notion but a sensible and practical approach to supply chains that ensures that some of the poorest people in the world can benefit from their hard work.

Somalia

10. **David Rutley** (Macclesfield) (Con): What his most recent assessment is of the humanitarian situation in Somalia. [76687]

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien): Somalia remains in desperate crisis, with 4 million people affected and 750,000 at risk of starvation. Life-saving aid is getting through, but insecurity, access constraints and displacement are undermining effective delivery. The scale of need means that continued support is required through 2012.

David Rutley: Sadly, many people in Somalia, Ethiopia and Kenya are suffering from a terrible drought, although an official declaration of famine has been avoided. Will my hon. Friend tell the House what lessons can be learned from this about the importance of long-term investment in food security?

Mr O'Brien: My hon. Friend makes an important point. In addition to relieving the humanitarian crisis in Somalia, we must also recognise that resilience and the efforts to address food security as a strategic priority in the medium to long term underpin all our efforts, even in the humanitarian response, in Kenya and Uganda, where famine has not been declared. We have just heard from the Secretary of State about the efforts being made in Uganda.

Topical Questions

T1. [76692] **Mr Ronnie Campbell** (Blyth Valley) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for International Development (Mr Andrew Mitchell): We are supporting the national transitional council's stabilisation work in Libya, which we have helped to plan since the beginning of the conflict. We are heavily engaged in helping to save lives in the horn of Africa, and we are boosting development in the Commonwealth ahead of discussions at the Commonwealth Heads of Government meeting in Australia later this week.

Mr Campbell: I understand that the Secretary of State will meet the President of Colombia in a few weeks' time. Will he raise the issue of the assassinations and the killings? This year we have already seen 56 people killed for being human rights defenders. Will the right hon. Gentleman tell the President that the Arab spring might knock on his door one day?

Mr Mitchell: The hon. Gentleman is right to underline the importance of promoting human rights wherever we can. When I have discussions with the President of Colombia, I will certainly take on board the hon. Gentleman's point. *[Interruption.]*

Mr Speaker: Order. There are far too many noisy private conversations taking place. The House will want to hear Mrs Helen Grant.

T4. [76695] **Mrs Helen Grant** (Maidstone and The Weald) (Con): What action is the Secretary of State taking to tackle forced marriage and early marriage in the developing world?

Mr Mitchell: As I mentioned to the hon. Member for Glasgow North (Ann McKechin), we are supporting specific pilot studies to try to reduce the awful levels of early marriage, not least in Amhara in Ethiopia, where

we have secured extraordinarily good results. This is a key pillar of the activity that we support in all our programmes.

Mr Ivan Lewis (Bury South) (Lab): May I begin by paying tribute to the work of my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman), my predecessor in the role of Opposition spokesperson on International Development? I can tell the Secretary of State that we will continue to support the Government where we agree on the 0.7% commitment and the importance of demonstrating aid effectiveness, but we will also challenge them where we think they are wrong.

What measures will the UK propose at next week's G20 summit to ensure that there is a renewed push by the world's leaders to achieve the millennium development goals? More specifically, now that the Department for International Development has launched its nutrition strategy, will the UK use the summit to urge other G20 members to endorse the Scale up Nutrition movement?

Mr Mitchell: May I first welcome the hon. Gentleman to his new position? I look forward to working with him as appropriate. He is quite right to identify the G20 summit next week as a key point where we can boost the interests of the developing world. He specifically mentioned nutrition, which is clearly very important, but the whole agenda for economic growth, which the G20 will address, is one that we should all support.

T5. [76696] **Mr Peter Bone** (Wellingborough) (Con): We are exceptionally lucky to have a Secretary of State who is so passionate about relieving poverty in developing countries—but does he agree that what we want is not more and more taxpayers' money going in aid, but more and more trade? What can he do to open the European Union's markets to developing countries?

Mr Mitchell: I think that I thank my hon. Friend for his first remark. He is right to point out that aid is a means to an end and not an end in itself. That is why the coalition Government have specifically said that wealth creation, entrepreneurialism, enterprise and economic growth should be right at the top of this agenda.

T2. [76693] **Mr Michael McCann** (East Kilbride, Strathaven and Lesmahagow) (Lab): Later this week the International Development Committee releases its report on the Government's decision to withdraw bilateral aid from Burundi. Although I cannot comment on the report's content, the evidence offered by DFID to the Select Committee to support that decision was heavily redacted. Will the Secretary of State explain how the decision to redact squares with the UK aid transparency guarantee?

Mr Mitchell: As I explained to the hon. Gentleman in the Select Committee, we release as much information as we possibly can in my Department, and we publish all expenditure above £500. I know that the Committee is concerned about the closure of the Burundi programme, but Britain is doing a huge amount for the country through its multilateral agenda. There are many other ways apart from having a country-to-country footprint to support development in Burundi, and we must make tough decisions in the interests of the British taxpayer as well.

T7. [76698] **Andrea Leadsom** (South Northamptonshire) (Con): What consideration has my right hon. Friend given to issuing food vouchers rather than food aid in order to promote free enterprise and choice in the developing world?

Mr Mitchell: My hon. Friend is absolutely right. This agenda has been championed effectively, not least by Save the Children, and it is one reason why we prioritise social protection rather than food aid. The aim of all these policies is to try to get people off food aid into much greater food security—as seen, for example, in the project between Britain and the World Food Programme, which I talked about earlier.

T3. [76694] **Chris Evans** (Islwyn) (Lab/Co-op): In the past decade 4 million people have died in the Democratic Republic of Congo, and countless women and girls have been victims of sexual violence. What are the Government doing to ensure that political parties in the DRC refrain from violence during the forthcoming elections?

Mr Mitchell: The hon. Gentleman is right to draw attention to the importance of focusing on the DRC, because there will never be a peaceful Africa without a peaceful DRC. Britain is giving strong support to the democratic process. We have been responsible for the registering of nearly 30 million people in the run-up to the November elections, and we strongly support the United Nations force in the DRC—MONUSCO—which has a chapter VII mandate and is therefore able to protect citizens robustly, especially the women to whom the hon. Gentleman has referred.

T9. [76700] **John Glen** (Salisbury) (Con): What evidence can the Secretary of State give that our Government's global leadership in increasing aid spending is encouraging other nations to adopt similar increases?

Mr Mitchell Over the last year there has been an increase in many countries' support for development, which is quite right and in accordance with the commitments that they have given. Britain has been in the lead in that regard. All our spending is in our national interest, and large amounts of it support our security, and indeed our future prosperity.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [76628] **Luciana Berger** (Liverpool, Wavertree) (Lab/Co-op): If he will list his official engagements for Wednesday 26 October.

The Prime Minister (Mr David Cameron): This morning—*[Interruption.]* At least they do not have to do it in French.

This morning I had meetings with ministerial colleagues and others. This afternoon I shall travel to Brussels for further talks about the eurozone.

Luciana Berger: Yesterday it was reported that the Prime Minister had compared the families of those who had died at Hillsborough to

"a blind man, in a dark room, looking for a black cat that isn't there",

and had complained that he was not being given enough credit for the release of all the Government documents relating to the tragedy. Will he take this opportunity to apologise to the relatives and friends of the 96 Hillsborough victims for those grossly offensive comments?

The Prime Minister: What I would say to all the victims and their families is that it is this Government who have done the right thing by opening up the Cabinet papers and trying to help those people to find the closure that they seek.

Mr Bernard Jenkin (Harwich and North Essex) (Con): Given that Chancellor Merkel has called formally on the European Commission to produce treaty texts to amend the European treaties, does my right hon. Friend agree with the following statements

"that the accumulated burden of policies, competences, tasks and budgets in the European Union has become too great...that locating ill-justifed powers at EU level can undermine democratic accountability; that the time has therefore come to identify those areas in which EU action is neither logical, justifiable or workable"?

Does he share my surprise that those words were written by the Deputy Prime Minister more than 10 years ago?

The Prime Minister: I have read that pamphlet too, and what it says is good, sound common sense. We do not know exactly when treaty change will be proposed and how great that treaty change will be, but I am absolutely clear, and the coalition is clear, about the fact that there will be opportunities to advance our national interest, and it is on those opportunities that we should focus.

Edward Miliband (Doncaster North) (Lab): Does the Prime Minister agree that, at today's European summit, we need not just the sorting out of their problems by Greece and Italy and the proper recapitalisation of Europe's banks, but an agenda to help Europe, and indeed Britain, to grow?

The Prime Minister: What it will be absolutely necessary to do this evening is deal with the key elements of the eurozone crisis, which is acting as a drag anchor on recoveries in many other countries, including our own. That will require decisive action to deal with the Greek situation and a proper recapitalisation of the banks, which has not happened across Europe to date—and the stress tests that have been carried out have not had credibility—but, above all, it will require the construction of the firewall of the European fund to prevent contagion elsewhere. That is the most important thing.

The right hon. Gentleman is right to suggest that a wider growth strategy across Europe is required. That was debated on Sunday, and all the Commission's proposals—on completing the services directive, completing the single market, liberalising energy policy and cutting regulation—could have been written right here in London.

Edward Miliband: The point I would emphasise to the Prime Minister is that those are long-term measures, but we also need immediate action for growth, and that needs to happen not just at European meetings, but at the G20 next week.

We know that the Prime Minister's real focus has, unfortunately, not been on sorting out the eurozone crisis; it has been on sorting out the problems on his own side. He said on Monday that his priority is to repatriate powers from Europe: which powers, and when?

The Prime Minister: One serious question, then straight on to the politics; how absolutely typical!

Let me make this point to the right hon. Gentleman: the idea that we could go into the meeting this evening about the future of Europe arguing that Britain should add an extra £100 billion to its deficit is a complete and utter joke.

Let me answer the question about our relationship with Europe very directly. The coalition agreement talks about rebalancing power between Britain and Europe. This coalition has already achieved bringing back one power: the bail-out power that the right hon. Gentleman's Government gave away.

Edward Miliband: The Prime Minister said in this House on Monday:

"I remain firmly committed to...bringing back more powers from Brussels"—[*Official Report*, 24 October 2011; Vol. 534, c. 27.]

but yesterday the Deputy Prime Minister was asked about his plan and he said:

"It won't work, it will be condemned to failure."

So one day we have the Prime Minister saying yes to repatriation, and 24 hours later the Deputy Prime Minister says no. On this crucial question, who speaks for the Government?

The Prime Minister: Let me quote what the Deputy Prime Minister said yesterday. He said that there is a perfectly good case for

"rebalancing the responsibilities between the EU and its member states."

What a contrast with what the leader of the Labour party said. Jon Sopel asked:

"Let me ask this single question. Yes or no answer. Has Brussels got too much power? "

The right hon. Gentleman replied:

"I don't think it has too much power."

So the situation is very plain: there is a group of people on this side of the House who want some rebalancing, a group of people who want a lot of rebalancing, and a complete mug who wants no rebalancing at all.

Edward Miliband: Why does the Prime Minister not come clean about the split between himself and the Deputy Prime Minister? This is what the Deputy Prime Minister was asked:

"Is David Cameron wrong to promise at some point the idea of another treaty that might bring powers back?"

He said this:

"This Government, of which I'm a Deputy Prime Minister, is not going to launch some sort of dawn raid, some smash and grab raid on Brussels. It won't work, it will be condemned to failure."

So which is it: who speaks for the Government? It is no wonder the Prime Minister's Back Benchers are saying there is no clarity in the Government's position, and the secretary of the 1922 committee said the Government's "position is politically unsustainable." Is it the Prime Minister's position to get out of the social chapter: yes or no?

The Prime Minister: It is this coalition that has worked together to get us out of the bail-out fund—to get us out of the Greek bail-out—and to deliver this year a freeze in the European budget. That is what this coalition has achieved. The split that we have is between the right hon. Gentleman and reality, and we have the greatest proof of that. I talked to the House about this on Monday, but it is so good that I have got to do so again. When he was asked if he wanted to join the euro, he said:

"It depends how long I'm prime minister for."

That is the split: it is between the Labour party and reality.

Edward Miliband: The Prime Minister will be going to the Council in December to negotiate on behalf of Britain, and treaty change may be on the agenda. I ask him the question again. His Education Secretary said on the radio yesterday morning:

"I think we should take back powers over employment law",

but his Deputy Prime Minister disagrees. What is the Prime Minister's position?

The Prime Minister: I tell you what would be on the agenda if the right hon. Gentleman was going to the meeting in Brussels tonight. We would not be discussing Italy. We would not be discussing Greece. It would be Britain handing out the begging bowl asking for a bail-out. We know that he now wants to join the euro. The other thing that Labour Members want to do is leave the International Monetary Fund. They had the opportunity in this Parliament to vote for an increase in IMF funds, which was agreed at the London Council by their own Government—they rejected that. So we now have the extraordinary situation where they want to join the euro and leave the IMF. It is not France they want to be like—it is Monaco.

Edward Miliband: It is no wonder the Prime Minister had a problem on Monday, because the truth is that he led his Back Benchers on, making a promise that he knows he cannot keep and that is ruled out by the coalition agreement. We have a Prime Minister who cannot speak for his Government. On the day of the eurozone crisis, we have a Prime Minister who has spent the last week pleading with his Back Benchers, not leading for Britain in Europe.

The Prime Minister: I might have had a problem on Monday, but I think the right hon. Gentleman has got a problem on Wednesday. The truth is that if he went to that meeting tonight, his message to Berlusconi would be, "Ignore the markets, just carry on spending" and his message to the rest of Europe would be that Labour thinks that you should spend another £100 billion adding to our deficit—after they had finished laughing there would be no time for the rest of the meeting. *[Interruption.]*

Mr Speaker: Order. Members should calm down and listen to Sir Peter Tapsell.

Sir Peter Tapsell (Louth and Horncastle) (Con): "Pas trop de zèle" was Talleyrand's advice to Leaders of the Opposition, which meant that he thought that they should not exist in a permanent state of hysteria.

The Prime Minister: As ever, nothing but wisdom from my right hon. Friend.

Q2. [76629] **Angela Smith** (Penistone and Stocksbridge) (Lab): Can the Prime Minister tell us whether any more projects have been awarded investment by the regional growth fund? Does the tally still stand at just two businesses helped by his flagship policy?

The Prime Minister: I am afraid to say that the hon. Lady is completely wrong. There are about 40 projects that have been green-lit for funding, and this is completely on schedule. Fifty bids were successful in round one, receiving a conditional allocation of £450 million to deliver 27,000 new or safeguarded jobs, with up to 100,000 jobs in supply chains. Instead of carping she should be welcoming that.

Q3. [76630] **Mark Pawsey** (Rugby) (Con): My constituency was recently pleased to welcome Mary Portas as part of her review of Britain's high streets. Does the Prime Minister agree that Rugby's positive approach to new housing, which will create new customers for the high street, is an effective way of supporting town centres?

The Prime Minister: I am delighted that Mary Portas has made it to Rugby, and I agree with what my hon. Friend said. We do need to build more houses in our country and we do need to reform the planning system, but we want to do it in a way that gives more control to local people, so that we can actually make sure that we have thriving high streets in the future.

Sandra Osborne (Ayr, Carrick and Cumnock) (Lab): The whole town of Cumnock, in my constituency, is in a state of shock following the very brutal murder last weekend of a very popular local man, Stuart Walker. Will the Prime Minister join me in sending condolences to Stuart's family and, amid much unhelpful speculation about the motivation for this murder, will he join me in calling on local people who have any information to come forward to the police to help them with their inquiries?

The Prime Minister: I certainly join the hon. Lady in sending condolences to her constituent's family, and what she says is absolutely right. It was once said that the police are the public and the public are the police; the police cannot solve crimes without the help of the public and I hope that everyone will co-operate in the best way they can.

Q4. [76631] **Gavin Barwell** (Croydon Central) (Con): My 14-year-old constituent Lillian Groves was killed outside her home by a driver who was under the influence of drugs. He was sentenced to just eight months in jail and was released after four months. Will the Prime Minister agree to meet Lillian's family to hear their case for "Lillian's law", a package of measures to ensure that in future we take the menace of drug-driving as seriously as we currently take drink-driving?

The Prime Minister: I think that my hon. Friend speaks for the whole House when he says that we really have to make sure that we start treating drug-driving as seriously as drink-driving. This issue has been raised repeatedly, but not enough has been done. One of the things that we are doing is making sure that the police

are able to test for drug-driving and making that drug-testing equipment available. As we test that and make sure that it works properly, we can look at strengthening things still further, and I am very happy to do as he says.

John McDonnell (Hayes and Harlington) (Lab): It was reported over a week ago that the Bank of England had reprimanded one commercial bank, and there may be others, that tried to manipulate the gilts market to exploit quantitative easing. Could the Prime Minister ask for a report on this matter and, if it is true, will he explain to the bankers that we will use the full force of the law against them if they try to rip off the taxpayer?

The Prime Minister: The hon. Gentleman makes a good point. It is very important to send a message to all people in financial services that there is not something called white collar crime that is less serious than other crime. Crime is crime and it should be investigated and prosecuted with the full force of the law.

Q5. [76632] **Duncan Hames** (Chippenham) (LD): Proposals before the House next week will see cuts to legal aid funding for advice services, which in the case of Wiltshire citizens advice bureau amounts to £250,000 a year. I welcome the £20 million stop-gap the Government have found to replace this funding next year, but will the Prime Minister ensure that the Government put in place lasting funding arrangements to sustain these services on which so many people rely? *[Interruption.]*

The Prime Minister: My hon. Friend makes an important point. It is no good people shouting this down; every party in the House has accepted the need to reform legal aid. *[Interruption.]* You say you have not but you have accepted it. The figures are very clear: we spend £39 per head in this country on legal aid compared with £18 per head in New Zealand, which has a similar legal system, and in Spain and France the spending is as low as £5 per head. As my hon. Friend has said, we are putting in the £20 million additional funding for not-for-profit organisations and we have also rightly praised the local councils that have gone on funding citizens advice bureaux. I shall certainly look at what he says because that very important organisation does vital work for all our constituents.

Paul Blomfield (Sheffield Central) (Lab): I am sure the Prime Minister will join me in congratulating Sheffield university's advanced manufacturing research centre, which celebrated its 10th anniversary yesterday and today with a series of events at Westminster, organised in partnership with Boeing and Rolls-Royce. Will he also join me and the Select Committee on Business, Innovation and Skills in endorsing the aim of growing our manufacturing gross domestic product from its current 12.5% to nearer the 20% enjoyed by most of our competitors, and will he commit the Government to work with—

Mr Speaker: That is enough. We have got the drift.

The Prime Minister: I very much agree with what the hon. Gentleman says and I am pleased to note that the Deputy Prime Minister hosted Sheffield university at No. 10 Downing street to celebrate its success. I think we are seeing some positive signs of rebalancing in our economy. Recently I was at the big investment that BP is making in the North sea, as well as at the opening of the new Airbus factory in Broughton in Wales. If one looks across our auto industry, whether it is Nissan, Toyota or Jaguar Land Rover, one sees that all those companies are expanding and bringing more of their production and supply chains onshore. There is a huge amount more to do, but we have to accept that we start from a low base as, sadly, manufacturing production has declined so much in the past decade.

Q6. [76633] **Karen Lumley** (Redditch) (Con): Will the Prime Minister join me in welcoming the nearly £1 million that has been received in Redditch for the pupil premium? Will he persuade the Secretary of State for Education to push for a national funding formula as soon as possible?

The Prime Minister: Discussions about a national funding formula are ongoing. It is a difficult issue to resolve because of the historical patterns of differences of funding around the country. I think the pupil premium is a major step forward; it will be up to £2.6 billion by the end of this Parliament. The Institute for Fiscal Studies report says that we have made spending on education much more progressive by the action we have taken. We have taken difficult decisions but at the heart of that was a decision to protect the schools budget and per-pupil funding and, on top of that, to add the pupil premium to make sure that we are looking after the less well-off in our country.

Q7. [76634] **Gloria De Piero** (Ashfield) (Lab): Last month, a leaked Downing street report said,

"We know from a range of polls that women are significantly more negative about the Government than men."

Why does the Prime Minister think that is?

The Prime Minister: When you are making difficult spending decisions and have a difficult economic situation, and household budgets are under huge pressure from things like petrol prices, food prices and inflation, clearly, that impacts women. The Government want to do everything they can to help women and that is why we have lifted 1 million people out of tax, the majority of whom are women, and that is why we are putting much more money and time into free nursery education for two, three and four-year-olds. That is also why, for the first time, we have agreed that women working fewer than 16 hours a week will get child care. And we do not just care about this issue at home: because of what we are doing through international aid, we will be saving more than 50,000 women in childbirth around the world.

Nadine Dorries (Mid Bedfordshire) (Con): The Infrastructure Planning Commission has made one decision—to grant planning permission for the giant American waste company Covanta to build a 600,000 tonne incinerator in Mid Bedfordshire. Thousands of people in Bedfordshire responded to the consultation, saying that they do not want this. The small print of the decision says that the decision is subject to special parliamentary procedure. Will the Prime Minister please let the people of Bedfordshire know that this Government are not like the previous Government, that we listen to local concerns and that we will ensure that that monstrous rubbish-guzzling atmosphere-polluting incinerator will not be imposed upon the people of Bedfordshire?

The Prime Minister: My hon. Friend makes an important point. There are difficult planning decisions that have to be made, but what the Government have done is made sure that the planning system is more democratic and reports to Parliament, and that Ministers have to take decisions and be accountable. I cannot speak for how those Ministers have to make those decisions. They have to make them in their own way, but we have ended the idea of the vast quango with absolutely no accountability, as my hon. Friend rightly says.

Q8. [76635] **Mr Jeffrey M. Donaldson** (Lagan Valley) (DUP): The Prime Minister has warned African countries that unless they improve gay rights, he will cut their aid, yet in many African countries where we pour in millions of pounds of aid, Christians face great persecution and destruction of churches, lives and property. Here in the UK, anyone who displays a Bible verse on the wall of a café faces prosecution. Was Ann Widdecombe right when she said that in the 21st century hedgehogs have more rights than Christians?

The Prime Minister: Ann Widdecombe is often right—not always right, but often right. The right hon. Gentleman makes an important point. The way we judge our aid decisions is to look at human rights across the piece. That means how people are treating Christians and also the appalling behaviour of some African countries towards people who are gay.

Q14. [76641] **Stephen Lloyd** (Eastbourne) (LD): In Eastbourne we recently recruited 181 apprentices in 100 days. My local training provider, Sussex Downs, tells me that 91% of its hospitality apprentices go into full-time jobs. Does the Prime Minister agree that apprenticeships work and in Eastbourne they work particularly well?

The Prime Minister: I am happy to agree with my hon. Friend about that. We found funding for an extra 50,000 apprenticeships last year and achieved almost double that because of the enthusiasm that there is among the business community and among young people. We are now running at about 360,000 a year and hope to achieve about 250,000 more apprentices than were planned under the previous Government. It is an important development in our country. We want to make sure that apprenticeship schemes are aimed at young people who need work and also aimed at the higher level—people going on to get degree-equivalent qualifications, so it is not seen as a second best. For many people it is the right career path, and there are companies in Britain such as Rolls-Royce where many of the people on the board started with an apprenticeship.

Q9. [76636] **Mr David Hanson** (Delyn) (Lab): On reflection, is now the right time for the Prime Minister to scrap Labour's indeterminate sentences for public protection, as the Justice Secretary wants to do? They were introduced to save dangerous violent criminals from harming the British public. Will the Prime Minister accept from me that the decision should not be about prison places, but about the protection of the British public?

The Prime Minister: My right hon. and learned Friend the Justice Secretary will make an announcement about this shortly. What the right hon. Gentleman will find is that we will be replacing a failed system that does not work and which the public do not understand with tough determinate sentences. People have always wanted to know that when someone is sent to prison for a serious offence, they do not, as currently, get let out halfway through. We will be putting an end to that scandal and I expect it to have widespread support.

Q10. [76637] **Mary Macleod** (Brentford and Isleworth) (Con): If women were to start businesses at the same rate as men, we would have 150,000 more businesses per year in this country. I have some exceptional female entrepreneurs in my constituency, such as Cath Kidston. What can my right hon. Friend do to encourage more female entrepreneurs to create growth and jobs for the country?

The Prime Minister: There are many things that Government can do. In the last Budget there were a series of steps such as the enterprise finance schemes that we have established and the changes to capital gains tax. The biggest change is a change in culture, encouraging people to take that first step and supporting them along the way as they go.

Alison McGovern (Wirral South) (Lab): Last week the House, to its great credit, supported unanimously full transparency from Government in respect of all documents relating to the Hillsborough disaster. Will the Prime Minister join me in calling on South Yorkshire police, following the example of my hon. Friend the Member for Sheffield South East (Mr Betts), to commit to the same openness and ensure that the Hillsborough independent panel has unredacted access to all papers?

The Prime Minister: I will certainly look at the issue the hon. Lady raises. I am not fully aware of the situation regarding the police papers and do not want to give her a flip answer across the Dispatch Box. The Government have done what we should have done with regard to the Cabinet papers, but I am very happy to look at the point she raises and get back to her.

Q11. [76638] **Mr Edward Timpson** (Crewe and Nantwich) (Con): Will my right hon. Friend join me in praising all the adopters and foster carers in Crewe and Nantwich and elsewhere for the fantastic work they do and encourage others to come forward to foster and adopt and to recognise during national care leavers week that we can do much more to provide care leavers with the sustained and enduring support that they often need and always deserve?

The Prime Minister: I completely agree with my hon. Friend. He speaks from great experience, as his parents have helped to foster around 90 children over the past few decades, which I think is a magnificent example. As I said in my party conference speech, we really need to attack every aspect of this issue. It is a national scandal that there are 3,660 children under the age of one in the care system, but last year only 60 were adopted. We have got to do a lot better. Part of it is about bureaucracy and part of it is about culture, but a lot of it is about encouraging good foster parents and adoptive parents to come forward and giving them security in the knowledge that the process will not be as bad as it is now. Thorough-going reform is required. My hon. Friend the Minister

with responsibility for children is leading this work and I am confident that we can make some real breakthroughs in this area.

Q12. [76639] **Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): On 11 August the Prime Minister told the House that there would be a report to Parliament on cross-Government activity relating to gangs. Where is that report and when will we see it?

The Prime Minister: We are working intensively right across Whitehall on the gang issue, because I think that in the past, frankly, this was something that was dealt with in the Home Office and there was not the same input from other Departments, so we are doing exactly that, and when we are ready to make a report to Parliament we will do so.

Q13. [76640] **Harriett Baldwin** (West Worcestershire) (Con): When I worked in the private sector—*[Interruption.]* When I worked in the private sector I benefited from statutory maternity leave. Will the Prime Minister remind the House how this Government are making work more flexible and family-friendly?

The Prime Minister: How typical of the Opposition. If someone talks about the private sector or job creation, all they have is a lack of respect and sneering. It is absolutely typical. My hon. Friend speaks from great experience. We want to be a family-friendly Government, which is why we are putting the extra hours and help into nursery education, increasing child tax credit, by £290 for the least well-off families, and why we will also be introducing proper help for flexible parenting.

Q15. [76642] **Ms Karen Buck** (Westminster North) (Lab): Westminster police command is now being required to lose 240 police community support officers, slashing by two thirds the number of PCSOs doing security and counter-terrorism work, and every single PCSO in the borough must now reapply for their own job. What message does the Prime Minister think this sends to the public, who want to see visible, patrol-based policing on their streets?

The Prime Minister: The point I would make to the hon. Lady is this: we are asking the Metropolitan Police Authority to find a cash reduction over the next four years of 6.2%. We face an enormous deficit in this country because of what we inherited from the Labour party. We have to make difficult decisions. Frankly, I do not think it is impossible to find a 6.2% cash reduction while keeping good front-line policing at the same time, and I am very confident that my good friend Boris Johnson will do exactly that.

Andrew Bridgen (North West Leicestershire) (Con): Is the Prime Minister as enthusiastic as I am about the Localism Bill and the prospect that it will deliver real growth and empower local communities? Does he agree that the best way to tackle political disengagement is through local accountability?

The Prime Minister: My hon. Friend makes a very good point. We all know that we are not building enough in this country to provide houses for our young people, to end the scandal of overcrowding and to reduce the number of people on housing waiting lists. The best way to get that to happen is to ensure that local people really feel they have a say in and control over development in their own area. That is the way to square the circle. The top-down targets under the previous Government did not work, but the localist approach will.

Mr Jamie Reed (Copeland) (Lab): The Prime Minister, when Leader of the Opposition, pledged to fight bare-knuckled against hospital closures. Will he give the House a guarantee today that for as long as he is Prime Minister there will be no hospital closures on his watch?

The Prime Minister: The pledge I can make to the hon. Gentleman is the one I made when I visited his constituency, which is that we are funding the expansion of his hospital.

Heather Wheeler (South Derbyshire) (Con): I congratulate the Prime Minister and thank him for all the work that the Department for Education is doing on free schools. Can he please give encouragement to the two sets of parents' groups that are looking to build two free schools—a junior and a secondary school—in South Derbyshire?

The Prime Minister: I can certainly give my hon. Friend that encouragement. I think the free schools policy is a great success, as we see a number of really high-quality schools coming in across our country, and it is depressing to see the attitude of the Opposition towards this policy. What we had was a new shadow Education Secretary, who in the first flushes of the job, said that he would support free schools, but as soon as Unite picked up the phone to him he had to drop that altogether. Do you want to know what their policy is now, Mr Speaker? He said:

"What I said...is we oppose the policy...but...some of them are going to be really good"—

schools—

"run by really good people and we're not going to put ourselves in a position as a Labour Party of opposing those schools".

So, they oppose the policy but they support the schools. What a complete bunch of hypocrites.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): Can the Prime Minister explain why his Secretary of State for Health was able to make concessions to the Liberal Democrats on the Health and Social Care Bill in the other place last night, but was unable to recognise the need for those changes when it was debated here? Is that not more about doing political deals rather that doing what is right for our NHS?

The Prime Minister: We are doing what is right for our NHS, and that is why average waiting times for in-patients are down, average waiting times for out-patients are down, hospital infections are at their lowest level ever, the number of mixed-sex wards is down by 91% under this Government, the number of managers is down and the number of doctors is up. If the hon. Lady wants to see further improvements to the Health and Social Care Bill, she will have plenty of opportunities.

Tom Brake (Carshalton and Wallington) (LD): Two thirds of young people involved in the riots had a special educational need. Does the Prime Minister agree that that underlines the need for complex solutions which tackle educational underachievement and rehabilitation as well as punishment?

The Prime Minister: Of course, as I have said many times at this Dispatch Box, we have to look behind the statistics and what happened and ask ourselves how we have allowed so much to go wrong in our society. Clearly, education and special educational needs play a role in that, but I do think it is important, and the public want, to see swift justice and punishment handed out when people break the law. We did see that at the time of the riots, and I think we should see it all the time.

Mr Speaker: I appeal to Members leaving the Chamber to do so quickly and quietly.

Points of Order

12.32 pm

Bill Esterson (Sefton Central) (Lab): On a point of order, Mr Speaker. In this morning's Westminster Hall debate about the future of BBC local radio, the Minister used the word "priggish" in response to my intervention in which I asked him to address concerns, which many right hon. and hon. Members have raised, about a loss of jobs and an impact on vulnerable, elderly and disabled people who rely on BBC local radio. The debate was attended by more than 50 Members from all parts of the House, and it had been good natured and consensual. I wonder whether "priggish" is appropriate in a parliamentary debate. If not, should the Minister come to this place to apologise not only to Members but to those who face losing their jobs and those who rely on such services?

Kevin Brennan (Cardiff West) (Lab): Further to that point of order, Mr Speaker.

Mr Speaker: Order. Before the hon. Gentleman comes in, I know he is bursting with enthusiasm, but he must contain himself.

What I would say to the hon. Member for Sefton Central (Bill Esterson) is that control of that sitting was the responsibility of the Chair in Westminster Hall. It sounds like an intriguing debate, and it may well be that I should study it at some point, but I have nothing to add at this stage.

Kevin Brennan: On a point of order, Mr Speaker.

Mr Speaker: Obviously not on the same subject, because I have already given a ruling. I know that the hon. Gentleman will be dextrous enough to devise an alternative point of order on a wholly unrelated subject.

Kevin Brennan: Indeed, Mr Speaker. In Prime Minister's questions, the Prime Minister used the phrase "a bunch of hypocrites" and the word "mug". Could you make it clear that they are in order? I would like to be able to use "mug" in the House to describe the Deputy Prime Minister, knowing that I would be in order, and also to be free with the use of "a bunch of hypocrites" as often as I please when describing the coalition Government.

Mr Speaker: What I would say to the hon. Gentleman is, I hope, simple and clear: what is involved, in my judgment, is not a matter of order but of taste, and for the avoidance of doubt I would prefer not to hear either term used in the future by any Member.

Greg Mulholland (Leeds North West) (LD): On a point of order, Mr Speaker. Like many in the House, I warmly welcome the Government's e-petition system, which triggered our important debate on Monday. However, I want to ask your advice, because there is no guidance on whether Members of Parliament should sign e-petitions. I believe that they should not do so, because such petitions call for debates. May we have some clarity on the process?

Mr Speaker: In a sense, it is flattering to me that the hon. Gentleman seeks my guidance, but it is not appropriate for me to provide it. My simple advice is that it is for the hon. Gentleman as an individual Member to decide whether to sign a petition, and I offer that advice to all hon. Members—make your own judgment on the merits of the case. There is no rule, no Standing Order and no matter of parliamentary proprietary involved one way or the other.

Dr Julian Lewis (New Forest East) (Con): Further to that point of order, Mr Speaker, while we are on the subject of Monday's important debate, which was the result of a Backbench Business Committee decision, would it assist the House if you were to indicate that when the Committee chooses a resolution for debate, it should not normally be subject to amendment, certainly not to amendments tabled by Front Benchers, and probably not to amendments tabled by Back Benchers who did not attend the Backbench Business Committee to try to have their suggestions adopted?

Mr Speaker: I am sure the hon. Gentleman understands that the Chair preserves, rightly, a certain discretion in these matters, and I always look at each case on its merits. Suffice it to say that I respect the Backbench Business Committee process. I am strongly in favour of clarity and straightforwardness in debates of this kind, and any proposed amendments tend to be considered by me in the light of that criterion.

If there are no further points of order, we come to the ten-minute rule motion, for which the hon. Member for Bolton West (Julie Hilling) has been so patiently waiting. That has the advantage that the Chamber is rather quieter now.

National Curriculum (Emergency Life Support Skills)

Motion for leave to bring in a Bill (Standing Order No. 23)

12.37 pm

Julie Hilling (Bolton West) (Lab): I beg to move,

That leave be given to bring in a Bill to require the Secretary of State to include the teaching of emergency life support skills in schools as a compulsory part of the National Curriculum; and for connected purposes.

Every year, 150,000 people die when first aid could have made a difference. Thirty thousand people have a cardiac arrest outside a hospital environment, but fewer than 10% survive to be discharged from hospital. Emergency life support skills are a set of actions needed to keep someone alive until professional help arrives. They include cardiopulmonary resuscitation—CPR—putting an unconscious person into the recovery position, dealing with choking and serious bleeding, and helping someone who may be having a heart attack.

Those skills are crucial at the time of a cardiac arrest when every second counts. For every minute that passes, the chance of survival falls by 10%. If CPR is started immediately, the time that someone remains in a shockable and hence reversible condition will be prolonged. It also means that more brain function will remain, and more of them will be left if they are resuscitated. It is not often that any Government have the opportunity simply, cheaply and immediately to save lives, but my Bill would allow them to do just that. Teaching these crucial life-saving skills to every school pupil would make a tangible difference to civil life in this country.

We know how it is when someone collapses or has a road traffic accident. Everyone stands around in a circle waiting for someone to act, usually too frightened to intervene. Now let us imagine a situation in which every school leaver could step in and attempt to save lives: fear gone, skills in place. Currently only 7% of people in the UK know first aid. We should compare that with Seattle, where one is rarely more than 12 feet away from someone who can save one's life. There, one cannot graduate from school or gain one's driving licence without learning first aid skills.

The Government like to compare us internationally. In France, Denmark and Norway, emergency life support skills are already a compulsory part of the curriculum. Norway educated 200,000 people in just six weeks. A number of states in Australia include ELS, and in America it is part of the curriculum in 36 of the 50 states. Training is happening in the UK, but the only way to ensure that all children are taught these essential skills is by placing them in the national curriculum. The British Heart Foundation has worked with me on this Bill, alongside other charities such as the Red Cross and St John Ambulance. The British Heart Foundation has more than 1,400 Heartstart schools, three quarters of which are primary schools. It has trained more than 760,000 children, a significant number of whom have had to put their life-saving skills into practice; and 625,000 children have been taught valuable life-saving skills through the St John Ambulance first-aid materials.

Let us imagine the difference that would be made if my Bill became law and every child became a life saver. The Government say they want the national curriculum to reflect the essential knowledge and understanding that people should be expected to have to enable them to take their place as an educated member of society. Surely knowing how to save the life of a family member or a member of the public would enable children to have an impact on the health of society. Ensuring that life-saving skills are taught in schools provides the chance to instil in all children how valuable life is and how important it is to be a good citizen. My Bill would provide a real, lasting cultural heritage.

There are several places where ELS would fit into the national curriculum—in PE, in science, in personal, social and health education, or in citizenship—and it takes only two hours to teach. That is just 0.2% of a school year, or the equivalent of one cross-country run. In just two hours of their school life, children can learn the skills to save a life. The skills should be taught from year 7 and refreshed each year until the pupil leaves school. In fact, the skills can be taught to younger children; I have heard some amazing stories of how young children have saved lives. Moreover, these measures would be popular. Seventy per cent. of parents, 78% of pupils and 86% of teachers have said that ELS should be taught in schools.

One of my local schools, Smithills, runs the British Heart Foundation's Heartstart scheme. ELS is taught in a variety of ways, and the school is now aiming to widen the scheme so that during the school holidays parents and siblings are able to learn these vital skills too. The teacher in charge, Adrian Hamilton, told me that learning how to save a life in an emergency really engages the children at Smithills. He believes that it goes a long way towards helping them to become better citizens and that it should be an expected part of what happens in schools.

Since I started to promote emergency life support skills, I have heard some tragic and some inspirational stories. I met Beth, the mother of Guy Evans who sadly died at the age of 17 in 2008. Guy was riding his motorcycle when he had a sudden cardiac arrhythmia. He fell off his motorbike and lay there while his friends stood around not knowing what to do. If only they had been taught emergency life-saving skills, they would not have faced the trauma of watching their friend die without doing anything to help. They would not now be living their lives full of the suspicion that perhaps, if only they had known what to do, Guy would still be alive. Beth has been campaigning ever since to get ELS into the school curriculum and into driving tests.

I also met Tabitha. When she was 17, a week before the summer holidays, she ran to join friends and teachers on a fire drill. She does not remember anything else, but she collapsed with heart failure. She had been born with a congenital heart defect that nobody knew about. Fortunately, her school secretary had been taught CPR and so administered it until, first, an emergency responder, and then the paramedics arrived. Tabitha made it to hospital with all her faculties still intact, where she had emergency surgery and made a full recovery. Tabitha is now a voluntary emergency responder and, like Beth, is working hard to get ELS taught in schools.

I received correspondence from St Aidan's primary school in St Helens telling me about a year 6 pupil who was with her parents and 15 other adults when her eight-year-old brother started to choke on his food. He went blue and virtually collapsed at the table. All the

[Julie Hilling]

adults stood around not knowing what to do, but the year 6 child jumped into action, put her training into use and saved her brother's life. If she had not been there, 15 adults might have watched a little boy die in front of them.

Sheringham Woodfields, a complex needs school, told me about the enormous sense of achievement its pupils feel when they realise that they can save a life. One of its pupils received a bravery award when he saved somebody on the Norfolk broads.

A few weeks ago, 15-year-old Patrick Horrock had a heart attack in Hindley leisure centre, just next door to my constituency. A member of staff performed CPR and another used a defibrillator to restart his heart. Patrick is alive and well because people knew what to do and had the tools to do it.

Peter Roberts, a 12-year-old, was enjoying teacakes with his mum when he realised that she could not breath, speak or shout. She was choking on a currant. Peter stepped in and delivered his training perfectly, doing back blows. After the third blow, the currant came out. What makes the story even more moving is that Peter's mum is paraplegic, following a parachuting accident a few years ago. She had no feeling in her windpipe and did not realise that she was choking. Peter saved her life.

A young mum from the Cotelands pupil referral unit in Surrey was able to save her young son from having to have skin grafts because of the way she dealt with a serious accident. Christopher Boylan, a 17-year-old from Merseyside, saved his mum's life by performing CPR when she suffered cardiac arrest. He had learned CPR at the Scouts.

Brittany Bull Targett, a 13-year-old, saved 11-year-old Charlie when he fell off his bike and knocked himself out. Brittany said:

"He was choking on his own blood so I cleared his airway, cleared the blood out, and put him in the recovery position. I have never done anything like this before and it was thanks to the training we had at school that I knew what to do".

There are many such stories of people who are alive and well because someone knew what to do. I cannot imagine anything more awful than standing by and watching someone lose their life when it could have been saved if only I or someone else had known what to do. Some of my local firefighters who are Heartstart tutors said something to me that really made me think. One of the reasons that we do not act when somebody collapses is that we are scared of making things worse. They said that if a casualty has stopped breathing, they are dead. Somebody else cannot make them any deader, but they can give them the chance to live.

Cardiac arrest does not discriminate between young and old or between genders and races; it can happen to the fittest people. Tragically, 12 young people die every week from undiagnosed heart conditions. Too many of us do not know what to do. My Bill would enable our children to have the essential skills to save a life and to never have to stand by and do nothing. I do so wish that it would become law.

Question put and agreed to.

Ordered,

That Julie Hilling, Craig Whittaker, Rosie Cooper, Simon Kirby, Tom Brake, Steve Rotheram, Andrew Percy, Nic Dakin, Valerie Vaz, Chris Ruane, Mr Kevin Barron and Justin Tomlinson present the Bill.

Julie Hilling accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 20 January 2012, and to be printed (Bill 240).

Opposition Day

[UN-ALLOTTED DAY]

National Health Service

12.48 pm

Andy Burnham (Leigh) (Lab): I beg to move,

That this House recalls that the Prime Minister made a series of personal pledges on the NHS in the run up to the General Election which were carried over to the Coalition Agreement; believes it is now clear he has failed to honour three of the headline commitments in the Coalition Agreement; notes firstly that Treasury figures from July 2011 confirm that NHS spending fell in real terms in 2010-11, contrary to the guarantee that health spending will increase in real terms in each year of the Parliament; notes secondly recent central approval of changes to hospital services, in breach of a moratorium on such changes; notes thirdly the Prime Minister's continuation, despite widespread opposition, with the Health and Social Care Bill, contrary to the pledge in the Coalition Agreement to stop top-down reorganisations of the NHS; believes there is mounting evidence that the combination of an unprecedented financial challenge combined with the biggest reorganisation in the history of the NHS is damaging patient care and leading to longer waiting times; is concerned that huge cuts to adult social care in England will further limit hospitals' ability to cope with coming winter pressures; and calls on the Government to listen to GPs and NHS staff, drop the Bill and accept the offer of cross-party talks on reforming NHS commissioning.

We read today that the Government were in open retreat last night on their Health and Social Care Bill in the House of Lords. Given that, we thought it only right to bring the Secretary of State here today to be held to account by this elected House. He tried to shuffle off his responsibilities and dug in when the Bill was in this place, only to give in down there. That came just hours after he had to confirm that he would still take oral questions in this House, despite a claim to the contrary by his preferred candidate to take over the running of the NHS. The Secretary of State may be on the run, but we will not let him hide. Our NHS is too precious to too many people in this country to be carved up in dodgy coalition deals in the unelected House. His Bill is unravelling before his eyes, and coalition health policy is in chaos. Today, we hold him to account for that.

To be fair to the right hon. Gentleman, the responsibility is not all his. It goes right up to the door of No. 10 Downing street. People will remember only too well, in the run-up to the general election, the then Leader of the Opposition's ostentatious shows of affection for the NHS, his airbrushed face on the posters and three very personal promises—real-terms increases in every year of this Parliament, no accident and emergency or maternity closures, and no top-down reorganisation of the NHS. He protested his love for the NHS, and at photo call after photo call on the wards he routinely wore his heart on his sleeve. As we now know, he was protesting a little too much, and today we expose the hollowness of his promises.

Tracey Crouch (Chatham and Aylesford) (Con): May I take this opportunity to congratulate the right hon. Gentleman on his new post? He is back where he once was, but on the other side of the House.

Last year, in *The Guardian*, the right hon. Gentleman stated that it was

"irresponsible to increase NHS spending in real terms".

Does he still stand by that statement?

Andy Burnham: I am not sure whether I should thank the hon. Lady for reminding me that I am now a shadow of my former self, but I thank her for her words. I will come to the precise question that she asks. I did indeed say those words, and I will explain why in a moment.

I was talking about the three headline promises that the Prime Minister made on the wards. They were part of a calculated and self-serving political strategy to detoxify the Tory brand, not a genuine concern for the NHS. It was cynical because, as we will show today, those were cheques for the NHS that the Tories knew they could not cash, and promises that they had no real intention of keeping. Let us take the Prime Minister's three personal promises in turn, starting with the one on NHS funding. It will be good to get to the bottom of that once and for all.

At the last election, Labour promised to guarantee to maintain NHS front-line funding in real terms. The now Prime Minister, by contrast, offered real-terms increases. How big those increases would be was undefined, but that did not matter. The important thing was that, according to the requirements of the detoxification strategy, it sounded as though the Tories were planning to spend more.

I remember well our resulting exchanges with the then shadow Health Secretary, now the Heath Secretary, on the hustings. Indeed, the Prime Minister has in recent weeks been quoting what I said then, as the hon. Member for Chatham and Aylesford (Tracey Crouch) did a moment ago. I did indeed say that it was cynical and irresponsible to make those promises, and I repeat that today.

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): Does the right hon. Gentleman consider "protecting the front line" to be the closure of many hospitals throughout the UK, mergers and the loss of vital cardiac services in such places as Ipswich? That was exactly what happened when he was Secretary of State.

Andy Burnham: The hon. Gentleman goes right to the heart of my speech today. We made those difficult decisions to get the NHS ready for the future. We grasped the nettle and took services out of hospitals and moved them into the community, because that is what has to happen if we are to have an NHS that is sustainable for the future. He stood on an election manifesto that promised the opposite. It was a dishonest pledge, and I will come to it in a moment.

I said a moment ago that it was irresponsible to promise real-terms increases. I say that because I completed a spending review of the NHS in March 2010 and knew the figures inside out. I had also been in detailed discussions with the Treasury on the funding of adult social care, in preparation for a White Paper. The implication of what the Conservatives featured on an election poster—cutting the deficit on an accelerated timetable while giving the NHS real-terms increases—could mean only one thing: unpalatable cuts to other public services, particularly adult social care, on which the NHS relies.

Despite that, the election pledge was carried over into the coalition agreement, which could not be clearer. It states:

"We will guarantee that health spending increases in real terms in each year of the Parliament".

[Andy Burnham]

A year ago, at the time of the comprehensive spending review, the official figures claimed that that had been delivered, with a 0.1% settlement—essentially the same as Labour promised at the election.

Mark Simmonds (Boston and Skegness) (Con): Does the right hon. Gentleman recall that before the general election, when he was Secretary of State, he said in the now infamous King's Fund speech that the state should always be the preferred provider, irrespective of the quality of care that it provided to patients? Does he stand by that statement today, or is he now trying to drive a patient-centric health service rather than putting political ideology above patient care?

Andy Burnham: I think I should refer the hon. Gentleman back to the King's Fund speech, because I did not say the NHS should be the preferred provider regardless of the quality of care it provided. I believe that the public NHS should have the first chance to change, and that was the preferred provider policy. We did not want to pull the rug from under the public NHS with a policy of "any willing provider". If the NHS needed to change, we wanted to tell it, "You have to rise to the challenge, and you have a chance to do so. If you cannot, other providers will get a chance to come in." That was the preferred provider policy, and I would be grateful if he did not misrepresent it.

As I said, a year ago the Government provided a 0.1% increase—or that was the headline, but the fine print began to emerge and their case began to fall apart from day one. It soon became clear that for the years 2011-12 to 2014-15, that figure included an annual £1 billion transfer to local government, ostensibly for social care but not ring-fenced, so councils would be free to spend it as they saw fit. The health funding settlement therefore already went below a real-terms increase. That transfer turned the apparently minuscule real-terms increase into a real-terms cut.

That still leaves 2010-11. When the coalition came into government, it immediately required primary care trusts to cut spending by increasing waiting times and restricting access to treatment, to generate an underspend in 2010-11.

The Secretary of State for Health (Mr Andrew Lansley) *indicated dissent.*

The Minister of State, Department of Health (Paul Burstow) *indicated dissent.*

Andy Burnham: Ministers are shaking their heads, but I will read them the Treasury figures published in July this year, and let them tell me then that what I have just said is not true. The public expenditure statistical analyses from this year provide official confirmation of what I have just said. They show that in 2009-10 health spending was £102,751 million. That was in the last year of the Labour Government. In 2010-11, health spending was £101,985 million. There we have it in black and white—the first real-terms cut in health spending for 14 years. In fact, it is the first real-terms cut since the last year of the last Tory Government in 1996-97.

Henry Smith (Crawley) (Con): I am interested to hear how the right hon. Gentleman is trying to manipulate those figures. How does he reconcile what he is saying with what his party's Administration is doing in Wales, where the health service has been cut and hospital infections and waiting times have risen?

Andy Burnham: The hon. Gentleman uses the word "manipulate". May I say that I take great exception to that? I have read out the Treasury statistical analysis from this July. If he is telling me that I have misrepresented it, let him stand up again now and say so. If not, he should hold his peace. I remind him that his party's Government delivered a much deeper cut to Wales than to Scotland or Northern Ireland. The Labour Administration are now dealing with the consequences of that.

Ben Gummer (Ipswich) (Con): The right hon. Gentleman's figures depended on the lack of what he called a ring fence in the social care transfer of £1 billion. I can assure him that as far as Suffolk is concerned, there is absolutely no problem in trying to deal with the ring fence. In fact, the county council spends more than the amount that was previously ring-fenced, because of the pressure on social care.

Andy Burnham: The hon. Gentleman was not listening. The social care transfer comes in for the years 2011-12 to 2014-15, but I was talking about the year 2010-11 and, in the year ended, there was a real-terms cut to the NHS, as confirmed by Treasury figures. This debate is about that fact. He and his hon. Friends stood at the election, with those airbrushed posters all around them, promising that they would not cut the NHS, but in their first year in office, they delivered a real-terms cut to the NHS.

Barbara Keeley (Worsley and Eccles South) (Lab): Is it not the case that, whatever Government Members say, 82% of councils offer social care only in critical and substantial cases, that thousands of people up and down the country are suffering the loss of their services, and that that will have a real hit on the NHS in years to come?

Andy Burnham: My hon. Friend makes a very important point. That was precisely why I said it was irresponsible for the Conservatives to promise increases to the NHS in the way that they did, on a much-reduced public spending envelope. That has led to precisely the consequences that she describes. Indeed, that hidden cut to adult social care has been quantified at £2 billion.

I remember well Conservative party claims before the election about death taxes, but what about the dementia taxes that the Conservatives have loaded on to vulnerable older people up and down this country, who are now paying more out of their own pockets to pay for the care that they desperately need? That is the effect of cutting adult social care and cutting council budgets in that way.

We today the nail the position once and for all. The real position is worse than the one I described because of spiralling inflation, which in effect means even deeper real-terms cuts for the NHS this year and in all the years that follow.

Chris Skidmore (Kingswood) (Con): The right hon. Gentleman mentions that the £2 billion transfer from the NHS social care budget is not ring-fenced, but I am sure he is aware that ring-fencing can have the perverse

effect of ensuring that local authorities do not spend existing budgets. Will he clarify his position? Is ring-fencing a good idea or not?

Andy Burnham: I disagree with the hon. Gentleman. I said that it was irresponsible to pledge the money for the health service in the way that the then Opposition did in the run-up to the election precisely because I realised that more would be needed for adult social care. However, if the NHS is to transfer money to local government for adult social care, we must be certain that it will pay for that and not for weekly bin collections or for whatever else he thinks is more important than supporting older, vulnerable people with the costs of care. He makes my point that that money should have been ring-fenced, so that adult social care could have been protected.

Chris Skidmore *indicated assent.*

Andy Burnham: The hon. Gentleman nods, but I am afraid that that was not the Secretary of State's policy.

Grahame M. Morris (Easington) (Lab): I compliment my right hon. Friend on how he is moving the motion. What are his views on the impact of the reduction of funding for the NHS on the front line, and on the number of hospital trusts that are breaching the 18-week target?

Andy Burnham: I am grateful to my hon. Friend for those words and I shall come to precisely that point, but let us be clear about this one: the Prime Minister promised a real-terms increase, but he has delivered a real-terms cut. He stands at the Dispatch Box week after week boasting about increasing health funding when he has not. All the while, NHS staff deal with the reality on the ground of his NHS cuts. Does he not realise how hopelessly out of touch he sounds? Hospitals everywhere are making severe cuts to services, closing wards, reducing A and E hours and closing overnight, making nurses redundant, and cutting training places. Last week, *The Guardian* revealed the random rationing that is taking place across the country. There are cuts to pay for management services, one third of neo-natal units are reducing the number of nurses, and midwife places are being cut despite the Prime Minister's promise to recruit 3,000 more.

Dr Poulter: The right hon. Gentleman is making a great deal out of cuts. The Government have committed an extra £15 billion to the NHS over the lifetime of this Parliament, but the Opposition have consistently failed to agree to commit to any additional funding. Will he make that commitment now?

Andy Burnham: A moment ago, the hon. Gentleman acknowledged that I protected the NHS front line as Health Secretary. As Health Secretary, I would not have introduced a £2.5 billion reorganisation when the NHS is facing severe financial stress.

Dr Thérèse Coffey (Suffolk Coastal) (Con): Is it fair to say that under his leadership of the NHS, Monitor suggested that it needed to make efficiency savings? Those are coming through now, but the right hon. Gentleman is trying to present them as cuts to front-line services.

Andy Burnham: No. Let me explain the position to the hon. Lady so that she understands it. It is correct that in the previous Parliament, not Monitor, but the chief executive of the NHS, suggested that the NHS would have to make around £20 billion of efficiency savings over the four years of this Parliament. That is called the Nicholson challenge, which I accepted. However, contrary to what the Prime Minister said at the Dispatch Box last week, it was intended that every penny of that money would go back into the NHS to help it to deal with the pressures that it faces. I am afraid that the Government are again misrepresenting my position.

My position is different from the Secretary of State's because that challenge, on its own, would have been all-consuming for the NHS, meaning that it would have had to focus every ounce of its energy on rising to that challenge. The last thing in the world that the NHS needs is a huge reorganisation, because it will take its eye off the ball, meaning that it cannot rise to that challenge.

Paul Farrelly (Newcastle-under-Lyme) (Lab): Is my right hon. Friend aware that during the so-called "pause for thought", nothing was done to stop the NHS reorganising ahead of legislation that was yet to go through Parliament? Was that not contemptuous of both Parliament and of the genuinely held concerns of Liberal Democrat coalition partners?

Andy Burnham: Frankly, it is disgraceful that primary care trusts were allowed to disintegrate before Parliament had given its consent to those changes, leaving the NHS in limbo in most communities represented in the House. I have said that the Government have put the NHS in the danger zone, and I mean it. There is no capacity on the ground to help the NHS through these difficult times. It has lost the grip it would have needed to take us through the financial challenge, and I lay that charge directly at the Secretary of State's door.

Joan Ruddock (Lewisham, Deptford) (Lab): Will my right hon. Friend give way?

Andy Burnham: I will give way in a moment.

I mentioned that the Prime Minister is out of touch, and that he promised to recruit 3,000 more midwives and then handed out redundancy notices to them. However, if the Prime Minister is out of touch, I worry that the Secretary of State is in outright denial. On 11 October, when my hon. Friend the Member for West Lancashire (Rosie Cooper) asked him about the practice of hospitals re-grading or down-banding nursing posts to cut their costs, he replied:

> "I am not aware—my colleagues may be—of...trusts...seeking to manage their costs by the downgrading of existing staff. If you are aware of that, then, by all means, tell us, but I was not aware."

The very next day, that version of events was directly contradicted by Janet Davies of the Royal College of Nursing, who said that

> "the Royal College of Nursing has raised the issue of downbanding with the Secretary of State on a number of occasions, alongside other concerns such as recruitment freezes and redundancies in the NHS...Our members' survey released earlier this month also revealed that 7% of nurses expect to be downbanded in the next 12 months".

[Andy Burnham]

If the Secretary of State would like to correct the evidence that he gave to the Select Committee on Health and confirm that he was aware of the practice of down-banding, he can be my guest right now.

Mr Lansley: I am grateful to the right hon. Gentleman. I do not change a word of what I told the Health Committee—it was entirely accurate. I have checked the records, and at no stage had the RCN raised that issue with me.

Andy Burnham: The Secretary of State directly contradicts, on the record, a spokesperson from the Royal College of Nursing. If he stands by his evidence, will he publish the minutes of his meetings with the RCN in which it states that the issue of down-banding was specifically discussed?

Mr Lansley: Will the right hon. Gentleman give way?

Andy Burnham: When I am ready.

Will the Secretary of State promise today to publish those minutes?

Mr Lansley: Yes, I shall publish the minutes of those meetings, but I resent the implication from the right hon. Gentleman that I would stand at this Dispatch Box or sit before a Select Committee and say anything other than what I believed to be the complete truth.

Andy Burnham: If that is the case, I respectfully ask the Health Secretary why he has not responded to a letter from my hon. Friend the Member for West Lancashire—

Rosie Cooper (West Lancashire) (Lab) *indicated assent.*

Andy Burnham: My hon. Friend is nodding. Why has the Secretary of State not responded to the letter that my hon. Friend sent to him several weeks ago pointing out the discrepancy between his evidence and the statements from the RCN? If he wants to adopt a pious tone in the House, he needs to reply to his letters on time and put his facts on the record.

Mr Lansley: Will the right hon. Gentleman give way again?

Andy Burnham: Is the right hon. Gentleman telling or asking? *[Interruption.]* I give way to the right hon. Gentleman.

Mr Lansley: If the right hon. Gentleman is going to insult me, he ought at least to give way. I have seen no letter from the hon. Member for West Lancashire (Rosie Cooper). I have seen a letter from the Chairman of the Health Select Committee, to which I approved an answer.

Andy Burnham: Well, that is no good to me. We have not seen that answer. The right hon. Gentleman needs to reply to hon. Members' correspondence in a timely fashion, especially when it relates to serious issues about discrepancies between his evidence and statements made by the RCN.

Rosie Cooper (West Lancashire) (Lab): I would like to inform both my right hon. Friend and the Secretary of State that I did, in fact, write to you but have received no reply. In my letter, which I shall ensure gets to you again, I asked you to publish the minutes of that meeting. It was very clear. One or other of you have made a severe error.

Mr Speaker: Order. We must preserve the proper parliamentary terms. Nobody has written to me and I have not made a severe error. We will leave it at that.

Andy Burnham: It is clear that we will get to the bottom of this, because the Secretary of State has committed to publishing the minutes, and if he is suggesting that the RCN has been inaccurate, he needs to produce the evidence.

That takes me to the Prime Minister's second personal promise on the NHS, which deals with hospital reconfiguration and the mythical moratorium.

Tony Baldry (Banbury) (Con) *rose—*

Andy Burnham: I shall give way in a moment.

If we thought that the Conservative party's promises on funding were bad enough, the sheer audacity of its claims on hospital closures is breathtaking. Before the last election, the right hon. Gentleman toured the country promising the earth to every Conservative candidate he met. I recall seeing his commitments—I have them here—pile up in the Ashcroft-funded glossy leaflets that landed on my desk in the Department of Health. He said that he would reopen the accident and emergency department in Burnley; he said that he would save and A and E in Hartlepool, but, scandalously, only if the town elected a Conservative MP; and I well remember the day he visited his hon. Friend—although, after this week, I doubt that the Government Front Bench team still consider him a friend—the hon. Member for Bury North (Mr Nuttall) and promised the people of Bury in the leaflets I have here:

"Vote Conservative and if there is a Conservative government the maternity department will be kept open."

It could not be clearer. However, the maternity department at Fairfield hospital is scheduled to close next March. It is disgraceful. However, the Prime Minister's most shameful politicking came in north London. I lost count of the number of times he promised to save the A and E department at Chase Farm hospital.

Chris Skidmore: On a point of order, Mr Speaker. Is it in order for the right hon. Gentleman to name my hon. Friend the Member for Bury North (Mr Nuttall) without telling him?

Mr Speaker: Yes, it is.

Andy Burnham: I point out to the hon. Gentleman, with his clever point of order, that I did contact the office of the hon. Member for Bury North and, indeed, the hon. Member for Enfield North (Nick de Bois).

Mr Speaker: Order. I am grateful to the right hon. Gentleman for that clarification, but perhaps this is an opportunity for me to make the position clear. I am not cavilling at the hon. Member for Kingswood (Chris

Skidmore), but the position is basically this: if a Member is going to impugn the integrity or attack the record of an individual hon. Member, the Member who is the subject of the criticism should be notified in advance. The fact that someone simply intends to refer to another Member and something that may or may not have happened in his constituency during an election campaign, or at any other time, is not something of which prior notification is required.

Andy Burnham: After that rude interruption from the hon. Member for Kingswood (Chris Skidmore), I shall get back to my script.

Just days after the election, the Prime Minister went to Chase Farm hospital, with the Secretary of State, to announce the coalition's new policy of the moratorium and the following commitment in the coalition agreement:

"We will stop the centrally dictated closure of A&E and maternity wards."

I have with me the photograph from that very visit of the Secretary of State holding up a placard stating his opposition to any changes to the A and E at Chase Farm hospital. However, he has recently failed to prevent those changes to the A and E department and maternity unit at Chase Farm hospital, leaving the new hon. Member for Enfield North writing a desperate letter to the Prime Minister stating that his constituents had been utterly let down by them both. I do not know whether the Prime Minister or the Secretary of State have the decency to feel embarrassed today, hearing these cynical promises repeated in the House. The proposed moratorium and opposition to closures were purely political and designed to help the Conservatives win votes in marginal seats. That is a fact.

Tony Baldry: I apologise for not having intervened quickly enough earlier, but the right hon. Gentleman says that he accepts the Nicholson challenge. Given that efficiency savings will have to be made in the NHS, where does he envisage those savings being made? It seems to me that every hospital trust will have to make efficiency savings somewhere, as a result of the Nicholson challenge.

Andy Burnham: The hon. Gentleman asks a very fair question. It is precisely such issues—about how to produce the savings—that are the important issues. Care has to be taken out of the hospital setting and we have to prevent too many elderly people, in particular, from going into hospital in the first place if we are to create an NHS that is able to face the future and that is financially and structurally sound. That is why I take such exception to the naked opportunism that we saw before the election, when I, as Health Secretary, was taking on some of those difficult challenges and grasping the nettle, including in my own backyard in Greater Manchester, where there was a difficult review of maternity and children services, involving the closure of four maternity units and shrinking their number to eight. We did that, we took on that debate, and yet the now Health Secretary was touring those marginal constituencies in Greater Manchester, saying that he would overturn our decision in office, but he has not done it. That is precisely the point that I am making to the House. We need a Health Secretary prepared to take those difficult decisions, if the NHS is to be able to make the savings that will sustain it in the long term.

Joan Ruddock: I am grateful to my right hon. Friend for giving way, because like the hon. Member for Banbury (Tony Baldry), I missed the opportunity to intervene when efficiency savings were being discussed. Does my right hon. Friend agree that the key to this problem is proper discussion with the experts within the health service—with the nurses, doctors and all the people who administer our fantastic service? They are the ones who can give us ideas for efficiency savings. The hallmark of the Government is their failure to listen to the professionals.

Andy Burnham: My right hon. Friend makes an important point. When we were in government, we said that there had to be a clinical case for change, if changes to hospital services were to be made. I mentioned Greater Manchester a moment ago. There was a clinical case to support those reforms. The experts, to which she rightly pointed, said that about 50 babies' lives would be saved every year by specialising care in fewer locations. In such circumstances, politicians have a moral obligation to listen to those experts and to make changes, no matter how politically difficult they are. That is why I say that it was sheer opportunism of the worst kind for the Government, when in opposition, to say that they would have a moratorium on any changes and to tour those marginal constituencies promising to overturn decisions, when in fact they had no intention of doing so. I put it to the House that the people of Bury, Burnley and Enfield have now clearly discovered what opportunism there is from those on the Conservative Front Bench.

Sarah Newton (Truro and Falmouth) (Con): Does the right hon. Gentleman therefore welcome one of the Government's first actions, which was to change the NHS operating guidelines for reconfigurations to ensure categorically that clinicians and the communities they serve were in the driving seat for future reconfiguration of the NHS?

Andy Burnham: If that is the case and the people of Enfield are in control of the decision, would Chase Farm A and E be closing? What the hon. Lady describes is a complete and utter reinvention of the moratorium policy. She stood on an election manifesto that promised a moratorium. Where is it? It has not materialised. It is a mythical policy that was designed to win votes; it had nothing to do with the good stewardship of the national health service.

Mr Andrew Love (Edmonton) (Lab/Co-op) *rose—*

Andy Burnham: I give way to my hon. Friend, who has a nearby interest in Chase Farm.

Mr Love: I thank my right hon. Friend for giving way, and yes, I do have an interest because constituents of mine have been affected by the decision at Chase Farm. Not only did the Secretary of State come to Chase Farm immediately after the election, but he announced the change in policy on reconfigurations. He introduced the so-called four tests, none of which has ever saved any unit, in any part of the country. The reality is that he seriously misled the people of Enfield, who are now bearing down on their Member of Parliament, who also misled them on this policy. It is an outrage and they feel badly let down by this Government on health service reform.

Andy Burnham: For the avoidance of doubt, let me address directly what my hon. Friend has said. A moment ago I mentioned a photograph of the Secretary of State on a visit to Chase Farm hospital just days after the election, when he announced his so-called moratorium—although no one has yet seen any evidence of it. He is holding up a placard in that photograph that says, "HANDS OFF! Chase Farm A & E", underneath which are the words: "I oppose any cutbacks to our A & E," and on the bottom we can see his signature. How on earth he can square that with the letter that he recently exchanged with his hon. Friend the Member for Enfield North, I do not know. I do not know how the Secretary of State can reconcile those two things in his mind or how he could look anyone in Enfield North in the eye, having promised them that he would save their accident and emergency department. It is quite scandalous. People across the country are discovering that the Prime Minister's moratorium is utterly meaningless, as A and Es restrict opening hours and maternity wards close.

We now come to the third of the Prime Minister's broken promises, on NHS reorganisation. Again, the coalition agreement could not have been clearer:

"We will stop the top-down reorganisations of the NHS".

I have never understood how those in the coalition could possibly sign up to those words, when only weeks later they would bring forward a White Paper heralding the mother of all reorganisations, the biggest since 1948. I can see the cynical politics behind the Prime Minister's first two pledges, but on this pledge at least he was right. A reorganisation is precisely the last thing that the NHS needs right now. I am clear: the abandonment of that pledge is the Prime Minister's biggest mistake in office. If he ploughs on, he will ultimately pay a heavy price for it, because it is a catastrophic error of judgment to combine the biggest ever financial challenge in the NHS with the biggest ever reorganisation.

As Health Secretary, I was told by officials that rising to the financial challenge would require every ounce of our energy and focus. The NHS would need stability. Instead, this Government have picked up the pieces of the jigsaw and thrown them up in the air, distracting the service at the very moment it needed maximum focus. Grip has been lost; the NHS is drifting.

Henry Smith: Does the right hon. Gentleman not agree, however, that our NHS needs greater efficiency and localism, and that this requires reorganisation?

Andy Burnham: I said just a moment ago that I was the one who put my name to the Nicholson challenge, because that money was going to help the NHS respond to the new demands placed on it at this difficult time, so the hon. Gentleman need not lecture me about efficiency. He needs to tell me how placing a moratorium on change in the NHS helps it to respond and deliver those efficiencies. That is the contradiction of his position, and he stood for election on that policy, as did others.

Grahame M. Morris *rose—*

Andrew George (St Ives) (LD) *rose—*

Andy Burnham: I will give way to the hon. Gentleman and then to my hon. Friend.

Andrew George: I accept that the Health and Social Care Bill is the longest and most incoherent suicide note in NHS history. Indeed, I am robust on this issue: I have voted against the Bill and will continue to take that view. However, considering that the right hon. Gentleman was involved when preferential arrangements were provided for private sector providers coming into the NHS, is this debate not an opportunity for him to acknowledge that at the Dispatch Box and apologise to the House for what was a rather ridiculous and one-sided policy?

Andy Burnham: Let me first acknowledge the hon. Gentleman's courage in standing up and voting against the Health and Social Care Bill. I just wish that more of his Liberal Democrat colleagues had similar conviction and principle, and could stand up to the Government on a Bill that he knows—and which, in their heart of hearts, many of them know—will seriously damage the NHS.

The hon. Gentleman also asked me about the introduction of private sector capacity. I will not apologise for that, because that additional capacity was brought in to bring down NHS waiting lists, something that benefited his constituents. By bringing in that extra capacity we brought down NHS waiting lists to an all-time low and delivered the 18-week target. I am not going to apologise for that. The reason the NHS commands such strong support in the country today is that people's experience of it improved in those years. I mentioned the preferred provider policy a moment ago. I believe that the private sector has a role to play in delivering world-class care to patients, and I am happy to put that on record.

Mr Kevin Barron (Rother Valley) (Lab): At the heart of the current Bill are the 98 clauses that introduce competition law into the national health service—something that the last Government did not pass even one clause to do. Is not the ideology lying at the heart of the Bill what will wreck our national health service?

Andy Burnham: My right hon. Friend makes an incredibly important point. Make no mistake: if the Bill passes, the NHS will never be the same again. The Bill will unpick the fabric of a public national health care system—a planned system—and turn it into a free-for-all, as he says. Indeed, it is unbelievable to see a letter in *The Guardian* today from senior Liberal Democrats—many of whom made the same argument a few weeks ago as my right hon. Friend—now saying that, because of a few tweaks to the Secretary of State's powers, the time has come to abandon all their concerns about the provisions. That is a ridiculous statement to make. If they still have concerns about competition and privatisation, they should have the courage of their convictions and stand up against the Bill, instead of writing sanctimonious letters to *The Guardian*.

Grip has been lost; the NHS is drifting. However, the Government cannot say that they were not warned. Sir David Nicholson, the chief executive of the NHS, told the Public Accounts Committee that the reorganisation had increased the scale of the financial challenge:

"I'll not sit here and tell you that the risks have not gone up. They have. The risks of delivering the totality of...the efficiency savings that we need over the next four years have gone up because of the big changes that are going on in the NHS as a whole."

This has been a lost year in the NHS—a crucial year, when it needed to face up to the financial challenge—but things are not getting better. We face months of further uncertainty, as the Secretary of State battles on with his complicated and unwanted Bill. Four-hundred and ninety pages, 70-page letters to peers, amendments made on the hoof: it is a total mess. The NHS deserves better than this. Even the man the Secretary of State brought in to run his new NHS Commissioning Board describes his Bill as "completely unintelligible," and went on to say:

"It is going to be messy as we go through a very complex transitional programme."

And this from the Secretary of State's friends.

The harsh truth is that the Secretary of State has comprehensively failed to build the consensus he needs behind his Bill. GPs do not want it; nurses do not want it; midwives do not want it; patients do not want it. I say to the Prime Minister and the Health Secretary today: stop digging in. Drop this Bill. If they do, my offer still stands, as our motion makes clear. We will work with the Secretary of State to reform NHS commissioning, giving GPs and other clinicians a bigger role. That can be achieved without legislation and a major structural upheaval of the entire NHS. It can be done through existing legal structures, giving immediate stability and saving millions.

We make our offer again today, as it is time for all politicians to put the NHS first. It is slipping backwards, and the warning signs are there for all to see. Waiting lists and waiting times are getting longer, with a 48% rise in the last year in the numbers of patients waiting more than 18 weeks. When patients are waiting longer, it is unforgivable that £2 billion to £3 billion has been set aside to pay for the costs of reorganisation. It is also unforgivable that £850 million is being spent on making people redundant who will end up being re-employed elsewhere in the system, in the new clinical commissioning groups.

We are witnessing a return to the bad old days of waiting longer or paying to go private. This is just a glimpse of the future. If the Bill passes, the NHS will never be the same again. We have all seen the adverts on television for the health lottery. Is this the right hon. Gentleman's early marketing and his new brand name for our NHS?

Bob Blackman (Harrow East) (Con): Does the right hon. Gentleman not accept that one of the severe problems that the national health service is facing came about on his watch, when primary care trusts were allowed to build up huge deficits without making the economies and efficiencies that should have been made at that time, rather than on this Government's watch?

Andy Burnham: I have never said that the NHS was perfect, or that there were no challenges during our time in government. But let me tell the hon. Gentleman what happened when the NHS was facing those deficits in 2006 and 2007. We took a grip at the centre and we brought those trusts back into financial balance, through hard work. There was a turnaround team in the Department, and we made sure that those difficulties were tackled at root. I do not see the same grip in the national health service right now. I see drift and lack of focus, and I see huge distraction as a result of this unwanted Bill.

Sarah Newton: The image that the right hon. Gentleman has just painted is totally inaccurate. The Royal Cornwall Hospitals NHS Trust is struggling with an enormous debt, which it incurred as a result of enormous reorganisations under Labour and a ridiculous accountancy measure that doubles the debt every year. I will not take comments like that from the right hon. Gentleman, because Cornwall has been left in a very difficult situation that this Government have been left to sort out.

Andy Burnham: I did not say that everything was perfect, but I said a moment ago that we took a grip on those problems and dealt with them from the centre. In the hon. Lady's Government's NHS, there will be—what are the words?—no bail-outs. Everyone will be left to fend for themselves. Does that mean that her hospital will be allowed to go bust? I do not know, but that is the implication of the Secretary of State's White Paper and Bill, and she needs to direct her questions to him.

The fact is that we are now looking at a national postcode lottery, in which GPs are free to send letters to patients telling them that minor operations must now be paid for, and in which hospitals no longer have maximum waiting times for NHS patients and can devote the freed-up theatre time to private patients as there is no longer any cap on private work. The Government have placed the NHS in the danger zone. It has been placed there by a Prime Minister who said "Trust me" and has gone back on his word. He wrote cheques for the NHS in opposition that he knew he would not be able to cash when in government. He made promises that he knew he would be unable to keep, in order to win votes. This is the Prime Minister's very own great NHS betrayal, and, far from detoxifying his party, he has proved once and for all that we really cannot trust the Tories with our NHS.

1.33 pm

The Secretary of State for Health (Mr Andrew Lansley): I ask the House to reject the motion. I am sorry about the tone of much of what the right hon. Member for Leigh (Andy Burnham) said. This was his first opportunity to make a speech about the NHS and I thought that he might take the trouble to thank NHS staff for what they have achieved over the past year, rather than disparage and denigrate everything they have been doing. I also thought that he might take the opportunity to approach the issues facing the NHS from the standpoint of patients, rather than simply playing politics with the service, but he did not. Insulting me was the least of the problems in his speech. It seemed like the Burnham memorial speech—clearly no hard feelings about losing the election, then. Having spent 13 years in the House in opposition, I shall—at the risk of patronising him—give him a few words of advice: do not keep fighting the election that you lost. It is not the way to win any future election, and it will carry absolutely no credibility in the NHS.

Equally, the right hon. Gentleman will carry no credibility by wandering around telling people that he was not planning to cut the NHS budget, given that he made it absolutely clear in *The Guardian* last year that that was exactly what he intended to do and that he told us, in the run-up to the spending review, that it would be irresponsible to increase the NHS budget in real terms. I searched the Labour manifesto for any commitment to funding the NHS in real terms, but there is none. In

[Mr Andrew Lansley]

March 2010, he might have said that he knew all these things, but he did not tell the public about any of it—*[Interruption.]* Well, it is here in his manifesto. The only reference to any kind of investment in the NHS is a plan to

"refocus capital investment on primary and community services".

Lyn Brown (West Ham) (Lab): Will the Secretary of State give way?

Mr Lansley: In a moment.

We know what that meant, because when we opened the books on arriving in the Department we saw that Labour was planning to slash by more than half the capital budget of the NHS. Every Member of Parliament who has a major hospital building programme in their constituency would have been affected by that. That might include my hon. Friend the Member for Harrow East (Bob Blackman), who has the Royal National Orthopaedic hospital in his constituency, or Members from Liverpool, who have the rebuild of the Royal Liverpool and Broadgreen hospitals and, all being well, the rebuilding of Alder Hey. That might also include the hon. Member for Copeland (Mr Reed). The last Labour Government, before the election, cut the capital budget, and his project—the West Cumberland hospital at Whitehaven—could have been at risk as a consequence of that. *[Interruption.]*

The Minister of State, Department of Health (Mr Simon Burns): No, he saved it.

Mr Lansley: I went with my colleagues; in fact, the Chief Secretary to the Treasury stood here at the Dispatch Box and reconfirmed support for that project, so I will not have any nonsense from the hon. Member for Copeland. *[Interruption.]* Withdraw that. I have not misled the House. The Chief Secretary to the Treasury came here and reconfirmed support for that project. I will not put up with being told from a sedentary position that I am misleading the House. I ask the hon. Gentleman to withdraw that accusation.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I am sure that it was not intentional, and I am sure that the hon. Member for Copeland (Mr Reed) would not wish to leave it on the record. [Hon. Members: "Withdraw. The hon. Gentleman has been asked to withdraw."] Order. I do not need any advice. I am sure that it was not intentional, and that the hon. Member for Copeland would not wish to leave it on the record.

Mr Jamie Reed (Copeland) (Lab): It was unintentional—*[Interruption.]*

Mr Deputy Speaker: Order. I think that we have established that it was not intentional. I call the Secretary of State.

Mr Lansley: Thank you, Mr Deputy Speaker. I will now give way to the hon. Member for West Ham (Lyn Brown).

Lyn Brown: I am grateful to the Secretary of State for giving way. Will he now admit that this is the first time that the NHS budget has seen a real-terms fall since 1996, the last year of the Tory Government?

Mr Lansley: One of the reasons that the House should reject the motion is that it is deeply flawed. Let me just take up the hon. Lady's argument. What an own goal it is for Labour to say that NHS funding fell in 2010-11. That was the last year of the Labour Government's spending plans, not ours. The amount available to the NHS in 2010-11—*[Interruption.]* I am answering the hon. Lady's question. The amount available to the NHS in 2010-11 was exactly the same amount as the last Labour Government determined under their spending plans. So if Labour is accusing the NHS of having a reduction in real terms in 2010-11, that is a complete own goal, because it happened as a consequence of its decisions, not ours.

Andy Burnham: May I just explain to the Secretary of State the difference between projected budgets and out-turn figures, as published by the Treasury? Will he confirm that the figures published in the Treasury's public expenditure statistical analysis will be the figures that go into the historical record, and that they will record a real-terms cut because of underspends that he ordered?

Mr Lansley: That is absolutely not true; because we ordered absolutely no cuts in the NHS budget in 2010-11 compared with the spending plans that we inherited. So that is a complete own goal on the right hon. Gentleman's part. And in regard to all that stuff that he talked about the support that the NHS is giving to social care, I can tell him that, with the exception of the underspend in the departmental central budgets, because we cut back on all of its bureaucracy and its IT programme, we spent over £150 million, or whatever it was—

Grahame M. Morris: Will the Secretary of State give way?

Mr Lansley: Sit down for a minute. I am answering the shadow Secretary of State. As I was saying, more than £150 million was generated from underspends in the departmental central budget in the last three months of the last financial year, and it was spent with local authorities in supporting social care. The rest of the social care support is for 2011-12, so what the right hon. Gentleman said cannot be a reason for the underspend in 2010-11. The amount spent was all in PCT allocations; there was no mechanism by which the Department of Health could go out and ask PCTs to spend less—the money was allocated to them. The shadow Secretary of State shakes his head, but he knows it is true. The money was allocated to the PCTs and they were free to spend the money they had.

The first reason to reject the motion is that it is a spectacular own goal. The second reason to reject it—

Andy Burnham: The right hon. Gentleman says it is not true that PCTs were asked to set aside funds and generate underspends, so may I remind him of a letter sent by the chief executive of the NHS shortly after the White Paper was published, telling primary care trusts to set aside funding for the cost of transition? That is clear; it is in black and white. He did ask PCTs to generate those funds to spend on the costs of his reorganisation.

Mr Lansley: I am sorry, but that is another spectacular own goal. Both before and after the election, the chief executive of the NHS set aside, as the right hon. Gentleman

had planned before the election, £1.7 billion for non-recurrent expenditure for the costs of NHS reorganisation. It was done before the election; we never changed the figure. It is not a consequence of any of our plans, but a precise consequence of the right hon. Gentleman's. He said he accepted the Nicholson challenge, and the £1.7 billion non-recurrent set aside in 2010-11 was to fund that challenge. That was set out before the election, not after it. I thought that one of the benefits of the former Secretary of State coming here to debate matters would be that we would be treated to a bit of knowledge of the NHS and of how it works, but that does not seem to be the case at all.

Grahame M. Morris: Will the right hon. Gentleman give way?

Mr Lansley: No, I want to make a bit of progress. Strictly speaking, I have not yet said anything I intended to say.

Grahame M. Morris *rose—*

Paul Farrelly *rose—*

Bob Blackman *rose—*

Mr Lansley: The second reason the House should reject the motion is that it fails to pay tribute to the hard-working staff of the NHS. I participated in many debates such as this when I was shadow Secretary of State and I thought that they provided an incredibly good opportunity for Members to raise issues relating to their own constituencies. I hope that that happens in this debate, as it is important. Every one of us has in our constituencies thousands of committed and hard-working NHS staff who want to know that we recognise it. I do not see any of that in the motion.

Joan Ruddock *rose—*

Paul Farrelly *rose—*

Barbara Keeley *rose—*

Mr Lansley: In this motion, there is nothing to recognise the contribution from NHS staff; it just denigrates them. It says nothing about people who rely on the NHS to care for them.

Paul Farrelly *rose—*

Joan Ruddock *rose—*

Barbara Keeley *rose—*

Mr Lansley: Next, the motion fails to offer any— *[Interruption.]*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Three Members are trying to catch the Secretary of State's eye. I am sure that he has noted that and that he will give way, but we cannot have three Members continuously on their feet.

Mr Lansley: Thank you, Mr Deputy Speaker.

Paul Farrelly: Will the Secretary of State give way?

Mr Lansley: It is surprising that I am being embarrassed by so many interventions from the Labour Benches, because there are so few Labour Members here. I remember that before the election it was my recurrent experience that when we held Opposition day debates on the NHS, the Labour or Government Benches were nearly empty while our Benches were pretty full of Members who, because of our commitment to the NHS, were seeking to make points about it. Funnily enough, it does not seem to have happened in reverse. The Government Benches are still full while the Opposition Benches are nearly empty. *[Interruption.]*

Paul Farrelly *rose—*

Mr Lansley: I will give way to the hon. Gentleman. *[Interruption.]*

Paul Farrelly: I thank the Secretary of State. *[Interruption.]*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. There are too many side comments coming from the Front Benches. Let us carry on with the debate. I am sure that the Secretary of State does not need any help.

Paul Farrelly: Staff of the High Street medical practice at Newcastle-under-Lyme are dedicated and hard working, yet that practice, which has 5,000 patients, is being forced to close. The Secretary of State has written me a letter, from which it is quite clear that closing directly run GP practices with salaried doctors is NHS policy. It is also clear that the closures are pre-empting proposed legislation to abolish PCTs, which is yet to go through Parliament. If the Secretary of State believed in a patient-focused NHS, surely he would be trying to save such practices, not encouraging their closure.

Mr Lansley: I will not delay the House at length with further explanation of what I wrote in my letter, as the hon. Gentleman quite properly raised the matter with me at topical questions. It is our intention to move to more consistent commissioning of primary care across the country through the NHS Commissioning Board, but the driver for that is still local decisions about what GP services should be available in an area and which practices are involved. The hon. Gentleman knows from my letter that this is the view of the local primary care trust. In future, it will be for the health and wellbeing boards, not least the clinical commissioning groups, to look at whether primary medical services can be provided with or without the sort of facilities that the hon. Gentleman mentioned.

Barbara Keeley: The Secretary of State asked for some examples of the impact on constituencies; I can give him two. First, the savings being forced on Salford PCT have led to the shutting of the NHS walk-in centre in one of our most deprived wards, which was serving 2,000 patients a month. Secondly, there is the serious issue of the closedown of active case management for long-term conditions. Patient services in Salford are being downgraded as a result of the savings and cuts that have to be made.

Mr Lansley: The hon. Lady will forgive me for not commenting in detail on that. If my memory serves, that has been the subject of a referral by the local authority to me, which I have sent to the independent reconfiguration panel for initial advice. It would be unhelpful and improper for me to prejudice that.

Mr Love: Will the right hon. Gentleman give way?

Mr Lansley: Yes, I will, as I am interested to hear what the hon. Gentleman has to say.

Mr Love: A year or 18 months into this Administration, does the right hon. Gentleman regret the announcement he made on the steps of Chase Farm hospital? Does he accept that the four tests have seriously misled local people about the future of the health service in their area? Does he recognise the demoralisation that that has caused in the local health service in Enfield, and what steps will he take to try to recover the situation and move forward?

Mr Lansley: The hon. Gentleman also intervened on the shadow Secretary of State. I am afraid that I do not recognise his description. I said before the election that we would have a moratorium on top-down and forced closure programmes affecting A and E and maternity services—and that is exactly what we did. A moratorium means what it says; it provides an opportunity to stop, to take stock and to subject something to the right tests. I set out for the first time the tests that needed to be met—that proposals needed to be consistent with prospective patient choice, consistent with the views of the local community, not least as expressed through the local authority, consistent with the views of the commissioners in the area, especially the developing clinical commissioning groups, and consistent with clinical evidence of safety.

In the context of Enfield and Chase Farm, the hon. Gentleman knows—because he was a participant in these discussions—that that moratorium was applied, that the opportunity was given to the local authority and the general practice community in Enfield to come forward with alternative solutions. We should also remember that among those four tests is the one about clinical evidence and safety. However, when those community groups came back and said, "We don't have a specific alternative, but we just don't want things to change", I had to ask the independent reconfiguration panel to examine it. Its view was that that was not clinically sustainable.

Andy Burnham: Will the right hon. Gentleman give way?

Mr Lansley: No. I have given way many times. I am answering the hon. Member for Edmonton (Mr Love). It was very clear that we could not proceed on that basis.

I have another point for the hon. Member for Edmonton about what I found in a number places. Although this was not true of the moratorium in Maidstone and Chase Farm, the moratorium has led to substantially improved outcomes for local services elsewhere, as with Burnley, Solihull, Sidcup, Ealing, the Whittington hospital and other places.

Grahame M. Morris: Will the right hon. Gentleman give way?

Mr Lansley: No. I am still answering a point raised in an earlier intervention. In all those places and others, the moratorium has led to better solutions.

Andy Burnham: Will the right hon. Gentleman give way?

Mr Lansley: No. I think that the moratorium has led to a better way forward even in Enfield. It is in the hands of the commissioners and the local authority in Enfield collectively, to make decisions for Enfield. Within two months I shall receive a report from NHS London advising whether it would be better organisationally for Chase Farm to be combined with North Middlesex rather than Barnet, and I should be interested to know the hon. Gentleman's view on that. We continue to seek not top-down forced reconfigurations, but reconfigurations that consistently meet the four tests, and do so in the best interests of the NHS.

Tony Baldry: The right hon. Member for Leigh (Andy Burnham) implied that my right hon. Friend should have completely ignored the advice of the independent reconfiguration panel. Can my right hon. Friend tell us whether, when the right hon. Gentleman was Secretary of State for Health, there were any occasions on which he sought to ignore the panel's advice?

Andy Burnham: No.

Tony Baldry: What is the point of having such a panel if it is to be ignored?

Mr Lansley: The right hon. Member for Leigh says from a sedentary position that he did not ignore the panel's advice. I do not believe that a Secretary of State has directly sought to contradict the panel since its establishment, or has sought not to comply with its recommendations. After all, it is there for a reason. The point is that, as I have made clear, the panel should be involved in the application of those four tests, and in the past that has tended not to happen.

Let me explain why I am asking the House to reject the motion. I believe—and this was always my approach in opposition—that when we table such a motion, we ought at least to be clear about what our alternative solution would be, but there is no such solution in the motion. Let me remind the new, or recycled, shadow Secretary of State what his old friend James Purnell wrote last February:

> "The Tories appear to have the centre ground. Labour need to take it back—by coming out in favour of free schools and GP commissioning".

The right hon. Gentleman did not come out in favour of free schools. He now says that he is coming out in favour of GP commissioning. If he believed in GP commissioning, why did he do nothing about it? Why did everyone in the general practice community, throughout the length and breadth of the country, believe that practice-based commissioning had come to a virtual halt? Why did David Colin-Thomé, the right hon. Gentleman's own national clinical director for primary care, effectively say that it had completely stalled and was not going anywhere?

I know that the right hon. Gentleman agreed with this at one time. Back in 2006, he said of GP commissioning:

> "That change will put power in the hands of local GPs to drive improvements in their area, so it should give more power to their elbow than they have at present. That is what I would like to see".—[*Official Report*, 16 May 2006; Vol. 446, c. 861.]

If the right hon. Gentleman wants that to happen, he must support the Bill that will make it happen. The same applies to health improvement and public health leadership in local government, and to our finally arriving at a point when, as was the last Labour Government's intention, all NHS trusts become foundation trusts. We are going to make those things happen, but in order to do so we must have a legislative structure that supports them. That is evolutionary, not revolutionary. However much the right hon. Gentleman rants about the changes being made in the Bill, the truth is that it will do—in what his predecessor, the right hon. Member for Wentworth and Dearne (John Healey) described as a "consistent, coherent and comprehensive" way—much of what was intended by our predecessors as Secretaries of State under the last Government. The fact that the right hon. Gentleman turned his back on that at the end of his time in office—mainly at the behest of the trade unions, which seem to be the dominant force in Labour politics—does not absolve him of his responsibility to accept that we are now delivering the reforms that he talked about.

Grahame M. Morris: The Secretary of State told my right hon. Friend the Member for Leigh (Andy Burnham) that there had been no cuts in the NHS budget. Does he recall cancelling the building project for a new hospital serving my constituents in south Easington as part of the comprehensive spending review?

Mr Lansley: On the occasion when the Chief Secretary to the Treasury told the House that we were supporting a number of hospital projects, we made it clear that the hon. Gentleman's local trust was a foundation trust. As his colleagues should tell him, the point of a foundation trust is that it should take more responsibility for securing the resources—

Grahame M. Morris *rose—*

Mr Lansley: I am answering the hon. Gentleman's question. The point of a foundation trust is that it should take more responsibility for securing the resources enabling it to undertake its own building projects. Foundation trusts cannot walk into the Department of Health imagining that they will receive a capital grant of more than £400 million. That is simply not the way it works. It is to the credit of the hon. Gentleman's local trust that it accepted that, and is working, as a foundation trust, on a better solution for the hon. Gentleman's area.

Andy Burnham: Will the Secretary of State give way?

Mr Lansley: No, because I have already given way to the right hon. Gentleman many times. Let me tell him this. If he was going to offer to try to work with others on GP commissioning, he ought at least to have demonstrated before the election that he was going to do something about it; and using a transparent political ploy to try and interfere with the passage of the legislation in another place carries no credibility with me or with anyone else. Labour's tabling of a motion in the other place in an attempt to block the Bill completely showed no willingness to work together, and the fact that it was defeated by 134 votes ought to have given the right hon. Gentleman a reason—and sufficient humility—not to try to return to the subject by tabling today's motion.

As I said earlier, I find it regrettable that neither the right hon. Gentleman's motion nor his speech made any attempt to deal with what has happened in the NHS over the past year. Let me tell him, and the House—for I know my right hon. and hon. Friends will be interested as well—what has, in truth, happened during that time.

At the end of the last Labour Government, the average in-patient wait was 8.4 weeks. According to the latest available figures, that has fallen to 8.1 weeks. The average waiting time for out-patients was 4.3 weeks at the time of the last election; it is now 4.1 weeks. Over the last year, the number of MRSA bloodstream infections in hospitals has fallen by a third, and the number of clostridium difficile infections by 16%. Nearly three quarters of a million more people have access to NHS dentistry. Nearly 2 million people have access to the new 111 urgent care service, and the whole country will be covered within the next 18 months. When we came to office, I discovered that there had been talk about a 111 telephone system, but nothing had been done. It is now happening.

More than 75% of stroke patients now spend 90% or more of their hospital stay in a stroke unit. That is a 20% increase in two years. The Cancer Drugs Fund has given more than 5,000 patients access to the drugs that they desperately need, and which under the last Government's regime would not have been available to them. We have embarked on an £800 million investment in translational research, increasing our financial support for it by 30%, to help to secure the United Kingdom as a world leader in health research.

The NHS is leading the way in the prevention of venous thromboembolism, with 86% of patients receiving an assessment for the condition. I believe that that constitutes an increase of some 30% in the last year. The bowel cancer screening programme is enabling many more patients and members of the public to be screened, there is more screening for diabetic retinopathy than ever before, and there were 188,000 more diagnostic tests in the three months to August than there were last year. Pathfinder clinical commissioning groups have been established virtually through England, and there are 138 health and wellbeing boards in local authorities, meeting and putting together their strategies to deliver population health gain across their areas.

In a single year, the year preceding the election, the right hon. Member for Leigh presided over a 32% increase in NHS management costs. That was the year after the banks had gone bust. It was the year when it was obvious that Government deficits were out of control. It was the year when the debt crisis was just about to crash over the whole public sector. What happened on the right hon. Gentleman's watch? There was a 23% increase in management costs in a single year, to £350 million. In the year that followed, we reduced those costs to £329 million.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): Can the Secretary of State tell us what the percentage of senior managers is, and how that compares with the percentage in the private sector?

Mr Lansley: Does the hon. Lady act as parliamentary private secretary to the shadow Secretary of State? Ah, she does. Well, she has the merit of consistency. I am reminded that in June 2006, when for a short period she

[Mr Lansley]

was chair—I think—of Rochdale primary care trust, she resigned. She said that she resigned because the radical changes happening under the then Labour Government in 2006 would

"destroy the NHS as we know it."

The hon. Lady has the merit of being consistent: she is against every Government and every change. She does not think that any steps will make the NHS into what it ought to be. I will not take any lectures from her, therefore.

I was explaining to the hon. Lady and the House what has been achieved. We have stripped out pointless bureaucracy. The number of managers more than doubled under Labour, but we have cut their number by more than 5,000, and we have increased the number of doctors in the NHS by more than 1,500. The Bill includes measures to abolish primary care trusts and strategic health authorities, but in the meantime we have clustered PCTs and SHAs together.

We are reducing the cost of bureaucracy in the NHS not only because it is necessary to do so. The transfer to clinically led commissioning in the NHS, for which there is a very good case of course, also involves reducing such costs. As the Minister of State, my right hon. Friend the Member for Chelmsford (Mr Burns), has frequently made clear, as part of the transfer process we will deliver £4.5 billion in savings in administration costs this year across the national health service. The transition itself involves costs of course, but they will be recovered by the end of 2012-13, and by the end of the Parliament we will have gone on to save more than £4.5 billion in total.

Chris Leslie (Nottingham East) (Lab/Co-op): Will the Secretary of State give way?

Mr Lansley: No.

Productivity fell in every single year that Labour was in charge of the NHS. However, according to the Audit Commission, in the last year—2010-11—we saved £4.3 billion. As the deputy chief executive of the NHS has reported, PCTs are intending to save a further £5.9 billion in 2011-12. Contrary to what the right hon. Member for Leigh repeatedly said, the NHS is not failing to deliver on the quality, innovation, productivity and prevention challenge; it is on target to meet that challenge. The modernisation that is at the heart of the Bill and the White Paper is not about frustrating the NHS in that endeavour; it is about enabling it to meet the QIPP challenge.

Last summer, I announced that we would be measuring mixed-sex accommodation and then driving down the extent to which patients were put in such accommodation when they should not have been. The right hon. Gentleman said at the time:

"This hollow announcement is an attempt by Mr Lansley to claim credit for something Labour has done".

That is absolutely wrong. The evidence showed that almost 150,000 patients a year were being placed in mixed-sex accommodation in breach of the rules. We ensured that figures were published for the very first time. The first set of results was published in December, and it showed that in that month alone there were well over 11,000 such patients. Since then, there has been a 91% reduction in the number of patients put into mixed-sex accommodation. The right hon. Gentleman was prepared to see issues of care, service and standards in the NHS covered up. We are determined to shine a light on where the NHS can, and should, improve its performance; we are determined to enable the NHS to do so and to challenge it wherever it is not doing so.

Chris Leslie *rose—*

Mr Lansley: I will give way to the hon. Gentleman shortly.

If the public want to know how the NHS in England would have fared under Labour since the last general election, they should look across the border at what has happened in Wales—I am not sure whether any Members representing Welsh constituencies are present. We are protecting the NHS and increasing its budget in real terms. However, I have brought along to the Chamber a report by the Auditor General for Wales that was published just a few days ago, on 14 October 2011. If I could, I would enter it in evidence, but I can at least hold it up in order to show Members a series of bar charts. They demonstrate that in England there is real-terms growth in the NHS, in Northern Ireland there is small real-terms growth that is unevenly distributed across the years, in Scotland there is tiny real-terms growth, and in Wales there is a large downward curve, which shows the reduction in real-terms spending on the NHS in Wales. Wales is the only part of the UK that is run by Labour, and there are real-terms cuts in the NHS budget there.

Chris Leslie: The right hon. Gentleman must know that "real terms" means taking account of inflation. For the record, can he tell the House what the retail prices index was for the last month for which figures are available? That will give us a sense of what "real terms" ought to mean in this context.

Mr Lansley: The hon. Gentleman is a shadow Treasury Minister, so he must know that the expression "real terms" has consistently been used in relation to the GDP deflator, which is independently estimated by the Office for Budget Responsibility. That is the basis on which we do these calculations, so the Wales Audit Office will have calculated the real-terms changes in budgets in each of the countries of the United Kingdom on that basis. John Appleby from the King's Fund has estimated an 8.3% real-terms cut in the NHS budget in Labour Wales.

Simon Hughes (Bermondsey and Old Southwark) (LD): The Secretary of State is, justifiably, giving a robust performance. He said that his job is to shine a light into the NHS to make sure there is a better service for patients. Can he assure us that the recent findings about the care of the elderly in our hospitals and the recommendations of the Cavendish report on that issue will receive the Department's full attention, as that is one of the areas where the NHS often fails to fulfil the expectations of patients and their families?

Mr Lansley: I agree with my right hon. Friend, and I appreciated the opportunity to talk with Camilla Cavendish and to read much of what she has written.

In January, I asked the Care Quality Commission to undertake dignity and nutrition inspections. They were nurse-led, unannounced inspections across NHS hospitals.

The reasons for doing so were clear. I do not say this to denigrate the NHS, but many of us were concerned about two issues. First, although patients admitted to hospitals might get very good clinical care, the standards of personal care were often not as good as they should be, and they were seriously deficient in some cases. Secondly, the last Labour Government had star ratings for hospitals, the net effect of which was as follows. On the Healthcare Commission website, there would be a green dot against a hospital, which was often taken to mean, "This hospital is fine." However, we all knew that some hospitals had tremendous reputations and world-beating clinical care in some respects and some wards where care was fantastic, but that care in neighbouring wards could be seriously deficient. The dignity and nutrition inspections have addressed that.

The CQC will follow up wherever it has found concerns. In addition, it will undertake similar unannounced inspections of learning disability services and there will be 500 unannounced inspections of care homes, to seek out and expose poor performance or poor care in those areas—and, I hope, demonstrate where good care is provided. There will be an additional follow-up inspection of a further 50 NHS hospitals.

Simon Hughes: I am grateful to my right hon. Friend for his comments. May I raise a linked point? One of the issues most frequently raised with me both in my constituency and elsewhere is that families and patients often do not feel that they have consistent contact with just one person who is responsible for the management of the care in a hospital. Instead, there is a range of people whom they do not know, except for what is printed on their name badges. They know the consultant, but they do not know who is responsible on a day-to-day basis for the delivery of 24-hour care. Can my right hon. Friend assure me that that is also on his agenda?

Mr Lansley: I entirely agree with my right hon. Friend. That is not only the case in hospitals, where people can sometimes ask, "Under whose care is my husband?" It is also especially true in community care. I hope that there will be more integrated services in the community, but although there may be a range of providers, there must be an integrated service with a clear line of accountability.

Rosie Cooper: Will the Secretary of State give way?

Mr Lansley: No, as I need to conclude my speech. *[Interruption.]* I am sure what the hon. Lady says is true.

The NHS in Wales is not cutting its budget because everything is going well. Labour Members are fond of citing waiting times, but the latest figures on waiting times show that in England 90.4% of admitted patients and 97.3% of non-admitted patients were referred to treatment within 18 weeks, whereas the figures for Wales are 67.6% and only 74% respectively.

Let me tell the House about infection rates. In 2007, the clostridium difficile mortality rates in England and Wales were similar—in fact, the rate was slightly higher in England. However, in the latest year for which figures are available there were 23.4 deaths per million for men and 23.5 deaths per million for women in England, whereas the figures for Wales were 54.9 deaths per million for men and 59.5 deaths per million for women, so the level in Wales is more than twice that in England. In four years, the gap has widened to the point where Wales has double the number of deaths from C. diff infections relative to England. Less money, less innovation and less good care is what has been happening in Wales under a Labour Government.

I must make it clear that we are going to put patients at the heart of the NHS. We are going to focus on the NHS delivering excellent care every time. Labour focused on the targets and the averages, and never got to the place of really caring about the specifics. A patient about to go into hospital for knee replacement surgery does not want to know about the national figure; they want to know about their hospital, their ward and what will happen to them. The same is true for mixed-sex accommodation. Labour turned a blind eye to variation in performance. We are going to open it up to clinical and public scrutiny, so that we can reward and celebrate achievement and excellence across the service, and shine a light on poor performance.

Joan Ruddock: Two weeks ago, I had an operation in Guy's hospital. Because of possible complications, I had to ask my consultant directly, "Would you advise me to go ahead or not?" He advised me to do so, and I had complete trust in him. He was not thinking about whether he had to fulfil a quota, whether there was competitiveness in his hospital or his department, or whether a private patient would be preferred in the bed that I was to occupy. He was someone I could trust. In the health service that the Secretary of State proposes in his Bill, I could never have that confidence. I ask him please to abandon this Bill.

Mr Lansley: The right hon. Lady is simply wrong. There is nothing in the legislation that will do anything other than support clinicians to exercise their judgments in order to deliver the best care for their patients. It was under her Government, when people were told to pursue 18-week targets, that managers were literally walking in to speak to consultants who were about to do waiting lists and surgery lists and telling them that, because of the 18-week target, they had to treat a certain patient rather than another whose interests would mean that they would be seen first. So I will not take any lectures about that. We are going to put clinicians at the heart of delivering care and put patients at the heart of the service that is delivered.

The Labour motion does not reflect reality. It is based on a misleading set of interpretations and representations. Labour Members have a very short memory, but I am afraid that they have left us a shocking legacy. The motion contains no appreciation of the challenges the NHS faces, no appreciation of the care the NHS has provided to patients day in, day out over the past year, and no vision of how the NHS can be better in the future. Modernisation of the NHS will deliver an NHS that we can rely on for future generations, that is based on need, not ability to pay, and that is able to deliver the best outcomes for patients. I urge the House to reject the motion.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Just before I call the next speaker, I suggest that we have an eight-minute limit. I want to get all the speakers in, as I do not want anyone to be disappointed.

2.13 pm

Grahame M. Morris (Easington) (Lab): Although the words "shocking legacy" are ringing in my ears, I find it difficult to believe them, given Labour's legacy on the NHS compared with what it inherited in 1997. Expenditure was increased from £30 billion in 1997 to £103 billion when we left office, and we had record patient satisfaction ratings. It beggars belief that that can be considered a shocking legacy.

Gareth Johnson (Dartford) (Con) *rose—*

Grahame M. Morris: If the hon. Gentleman does not mind, I will continue my introduction and give way in a moment.

I wish to recognise the contribution of the NHS staff, who are the source of great pride. They have done such a great job, and continue to do so, even in difficult circumstances, in delivering the very high levels of patient satisfaction reported in the recent surveys.

In November 2010, the Backbench Business Committee selected my application for a debate on the impact of the comprehensive spending review on the Department of Health, the NHS and public health. So many of the issues that have been raised are implanted in my mind, not least the loss of the funding for a new hospital that would have served many of my constituents in the south of Easington. I am concerned about the particular reference that has been made to that and I would be grateful if the Secretary of State or the Minister would deal with that in their closing remarks. A value-for-money assessment was made by both the Department of Health and the Treasury and it was found that the best way to take forward that proposal was with public funding, rather than through the private finance initiative route. The disingenuous position repeated by those on the Government Benches, including the charges laid against the Labour Opposition about our support for PFI, has been compounded. I remind right hon. and hon. Members on the Government Benches that in the case of the new hospital planned for my area we were directed to the PFI route, despite the criticism that has come from the Secretary of State and other Members on the Government Benches.

I am pleased that the motion focuses on the failed personal pledges of both the Prime Minister and the Secretary of State. A key promise was made to increase real-terms expenditure on the NHS, but it is another broken promise. It is probably the most fundamental one, as the NHS is such a beloved institution of the whole British public. Before the election, the Conservatives promised to protect the NHS and give it a real-terms budget increase year on year. The coalition document promised a 0.4% real-terms budget increase for the NHS over the spending review period.

I am sure that we all saw the expensive billboards before the election, to which my right hon. Friend the Member for Leigh (Andy Burnham) referred. They showed the Prime Minister, then Leader of the Opposition, saying:

"I'll cut the deficit, not the NHS."

That was not really about rebranding the NHS; it was more an exercise in conning the British public. Whereas Labour gave a guarantee to protect the front line of the NHS, the Health Secretary, then the shadow Health Secretary, saw a cynical opportunity to give a guarantee on spending. We now know from the Treasury's own figures that that guarantee was false: it is a promise that has been broken. It was a guarantee that went against all the Tory mantra. We are constantly told by the Conservative party that public service delivery is not about how much we spend but about how we spend it—in fact, we heard that today from the Prime Minister in relation to police numbers. However, the Tory promise was never about protecting the NHS; it was about protecting the Tory brand.

Even the Tories' biggest backers realise that the promise to increase funding on the NHS was a con. The Secretary of State cited James Purnell a little earlier, so perhaps I might cite Fraser Nelson, who is not a well-known socialist—he writes for *The Spectator* and is a right-wing commentator. He says:

"It has become clear now that there was a cynical competition to dupe the British public into believing that if they voted Tory at the General Election, the NHS would be safe."

After 13 years of unprecedented rises in the NHS budget under Labour, and efficiency measures such as those on procurement—

Henry Smith: The hon. Gentleman is talking about the 13 years under the previous Labour Government. I do not know what happened in his constituency, but my constituency lost accident and emergency provision, and we lost maternity provision. That was the direct consequence of Labour's Department of Health.

Grahame M. Morris: I think we saw an unprecedented period of growth with the building of new hospitals and new facilities. I have some sympathy with the hon. Member for Enfield North (Nick de Bois) and what he is going through with the Chase Farm downgrading, because in my area the Hartlepool accident and emergency facility is also being downgraded to an urgent treatment centre. That is a cause of consternation among the public.

Mr Lansley: That was a Labour plan.

Grahame M. Morris: Well, it is being done under the Secretary of State's Administration when an impression was given that there would be a moratorium and that we would not face such downgrading and closures. That was clearly a con that was sold to the public, so I do not accept the contention that the hon. Member for Crawley (Henry Smith) has put forward.

Let me press on, because time is limited. The NHS is hurting under this Government and these reckless reforms. On the promises for a real-terms increase, we know that health inflation has surged and that the spending power of the NHS is going down, so will the Minister now admit that the NHS is receiving a real-terms cut? This is not just about the NHS being held hostage to inflation. It is facing real financial pressures on the front line—which Labour promised to protect—for a number of reasons including the Government's decision to push through this latest reorganisation, which is the biggest the NHS has ever faced, at the same time as pushing through £20 billion-worth of efficiency savings. The figure of £1 billion a year is being taken from the NHS's existing budgets to meet the growing and ever-increasing costs of social care. The Select Committee on Health is now looking into that issue and I hope that we are able to come forward with some positive ideas that the Minister will consider.

Joan Ruddock: My hon. Friend heard the Secretary of State's responses to my questions. I know that my hon. Friend served on the Committee considering the Health and Social Care Bill. Will he confirm that competitiveness is still at the heart of that Bill and that the cap on private patients in the NHS is being removed from hospitals?

Grahame M. Morris: I am grateful for that intervention from my right hon. Friend and I should like to place on record, because the Secretary of State did not take the opportunity to do so, that the cap on private patient work, which had been set at 5%, is to be raised by the Bill. That must have a detrimental impact on the NHS in general, and on non-private patients, as resources are directed to the private sector and private patients.

Dr Poulter: Will the hon. Gentleman give way?

Grahame M. Morris: I shall not, if the hon. Gentleman does not mind, because I do not think I will get any injury time if I do so and I have rather a lot to get through.

I have mentioned the transfer of resources from the NHS budget to meet the growing costs of social care. We have also discovered, from evidence that was given to the Select Committee, that there has been an underspend of almost £2 billion—much of it from the capital budget, with some of it, presumably, being saved by cancelling the new hospital that was to serve my area. Meanwhile many NHS trusts are sitting on hundreds of millions of pounds of debt, and figures produced by the Department of Health show that six large NHS trusts in London are predicting year-end deficits of £170 million. The pressures on the system are enormous and will inevitably show through in reductions in services, having an impact on the front line.

The reductions in tariffs for operations and the further pressures in that area will also mean that foundation and NHS acute trusts will bear the brunt of financial pressures within the system. Again, that means that the buck and the spotlight of transparency are being passed away from the Secretary of State to the NHS Commissioning Board, although he might have to reconsider that after last night's Lords amendments.

Another area of pressure in the NHS comes from the huge redundancy costs being incurred as a consequence of the premature closure of primary care trusts and strategic health authorities, which is estimated to cost the taxpayer more than £1 billion. The opening up of the NHS entirely to the private sector, and the prospect of the £103 billion NHS budget being taken out of the public sector and placed within the remit of shareholders in private health care companies, is anathema to the majority of the British public. The Minister of State, Department of Health, the right hon. Member for Chelmsford (Mr Burns) is cringing, but the majority of the British public are cringing at the thought of this proposal.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order.

2.25 pm

Chris Skidmore (Kingswood) (Con): It is remarkable that we are having this debate today. As the Secretary of State has said, the Opposition's motion is a remarkable own goal, especially as it has been confirmed that the Government will be increasing funds in real terms by 0.4% over the course of this Parliament. The shadow Secretary of State is shaking his head, but that will mean an extra £12.5 billion, which he has opposed today. It also remarkable that we have had confirmation from him of his comments in *The Guardian* on 16 June 2010, when he stated:

> "It is irresponsible to increase NHS spending in real terms within the overall financial envelope".

He agreed with that and I am delighted that he has put that on the record now that he has a second bite of the cherry, as the shadow Secretary of State for Health. He had an opportunity to make amends, and I thought he would, but unfortunately he has not. He also stated in the *New Statesman* on 22 July 2010:

> "They're not ring-fencing it. They're *increasing* it."

He was talking about the NHS budget and the fact that the Government were increasing it.

We have heard from the Secretary of State today that if there is an underspend, it has come entirely from the central departmental budgets. What is wrong with that? Does the shadow Secretary of State disagree that we might have cut down on costs such as the £115,759 he spent on a personal chauffeur during his time as Secretary of State? Does he oppose an underspend, given that during his time at the Department it spent £3.65 million on almost 26,000 first-class rail tickets? We have slashed that cost by more than 70%. Does he deny that he and the Department spent £1.7 million on luxury hotels during his time there? What is wrong with cutting such spending? What is wrong with the fact that Ministers are no longer using hotels such as the Hotel President Wilson in Geneva as they did in 2008 when the bill was £548.87 a night? If we are making those cuts to the central budget, I quite welcome our doing so.

Barbara Keeley: I wonder that the hon. Gentleman is not more worried about issues such as those I raised earlier. The real cuts being experienced in my constituency are in NHS walk-in centres and in the active management of long-term conditions. That is a real downgrading of patient care. I am surprised that he is bringing up these expenses; I think he should focus on what is happening in the NHS.

Chris Skidmore: I entirely agree that we need to integrate better social care in the NHS, and part of the reason why we have £2 billion going into social care is to tackle that problem. It is interesting that the hon. Lady does not deny that those spends have happened and that she does not apologise for the fact that the previous Government made those spends. Personally, I think they are a disgrace. Obviously, Opposition Members do not have a problem with spending £600 on a hotel in Switzerland, but I do. I say to the shadow Secretary of State, "Don't build a greenhouse and then throw stones out of it." Let us remember that it was the Labour party that gave us an NHS IT system at a cost of £12.7 billion—450% more than the original cost. It was the Labour party that gave us private finance initiative deals that were so badly drafted that they were worth £11.4 billion but cost £65 billion to pay off. What did the shadow Secretary of State say when he was the Secretary of State?

Stephen Pound (Ealing North) (Lab): I am grateful to the hon. Gentleman for giving way and I hope that my intervention allows him to cool his jets a little. One cannot make a case about this by arguing about minutiae. Will he accept that for many of us the reality of the NHS is what we see at Central Middlesex hospital, where somebody turns up on a Monday to be told that the accident and emergency department closed on the previous Friday and has now been rebranded without there having been any democratic input? If one has any complaints about that, however, one should not even bother trying to find a person to speak to. That is the reality. The NHS is over-commercialised and is losing touch with its roots.

Chris Skidmore: The hon. Gentleman will regret his comments. We have to pay back £65 billion on PFI deals that were originally signed for £11 billion—that ain't minutiae. Many constituents are concerned about the waste that took place under the previous Government.

In 1997, there were 23,400 managers. That has gone up to 42,500. We are making a genuine attempt to tackle the problem. I could go on, but I will put the party politics aside.

Grahame M. Morris: Would the hon. Gentleman care to comment on the National Audit Office report in relation to savings that could be made from NHS procurement? Does he think that fragmenting the NHS will assist that or hinder it?

Chris Skidmore: We are spending £1 billion more than we should on procurement because of the lack of consistency across the NHS, delivered principally by the previous Government. That is one area in which we could make vital savings. The NHS needs to change. Your boss, the Leader of the Opposition, said:

"To protect the NHS is to change it"

and we need to do so. The reforms that we are bringing in are essential if we are to deliver savings and also to ensure that the NHS survives when our ageing population means there will be twice as many 85-year-olds by 2030.

We need to reform the NHS and we do so in the spirit of what Tony Blair and new Labour put forward. Julian Le Grand, Tony Blair's key adviser, said that the reforms were

"evolutionary, not revolutionary: a logical, sensible extension of those put in place by Tony Blair".

When I asked him in the Health Committee whether this is what Blair would have done, he said: "Absolutely. Blair 'would have tried' to get these reforms through, but I imagine the left of his party may have prevented him from doing so."

Joan Ruddock: How does the hon. Gentleman square his enthusiasm for all these reforms with the Prime Minister's statement that there would be no top-down reforms of the NHS?

Chris Skidmore: We are introducing these reforms principally so that we put power back in the hands of GPs and, above all, patients. We are making these reforms because we have to. The status quo cannot remain—*[Interruption.]* If the right hon. Lady wants the NHS to continue as it is, fine. If the NHS is to be free at the point of delivery, it needs clinician-led commissioning. That is what we are going to achieve.

Sarah Newton: I agree with much of what my hon. Friend says. Does he agree that on such an important subject as the NHS, the people we represent and who sent us here would expect us to be thinking about how we can improve the NHS for patients and for the people who work in it, rather than engaging in this ridiculous tit-for-tat party political scrap that we are seeing this afternoon?

Chris Skidmore: I entirely agree. A constituent, a lady who sadly lost her foot through a rare cancer, came to my surgery recently. She is allowed only one type of plastic foot from the NHS and the PCT. She wants what is called an Echelon foot which will allow her to walk up a hill—she is a hill walker—but under the current model she cannot get that alternative foot. By bringing in any qualified provider, we will allow patients and clinicians the freedom to choose for the first time—a choice that was denied under the "any preferred provider" model that the shadow Secretary of State still clings to vainly. We need to ensure that our NHS operates for the 21st century and I hope the reforms will deliver that.

To sum up, I will oppose the motion. It is juvenile—the text could have been written by Adrian Mole. This is about getting away from the politics of debate in the Chamber and giving the NHS back to the professionals and the patients. It is not our NHS; it is their NHS, and we need to ensure that we achieve that aim.

2.33 pm

Rosie Cooper (West Lancashire) (Lab): I congratulate my right hon. Friend the Member for Leigh (Andy Burnham) on his appointment as shadow Secretary of State for Health, a brief to which he brings valuable experience. We are going to need every bit of that experience, given what the current Secretary of State is doing to bring the NHS to its knees.

I strongly disagree with my colleague on the Health Committee, the hon. Member for Kingswood (Chris Skidmore). This is not their NHS. This is not your or my NHS. It belongs to the people, all of us. We all have an incredible stake in the NHS. The Secretary of State and the Government play with it, with their reputation and with patients' needs at their peril. I believe your policy will fundamentally damage the NHS—

Mr Deputy Speaker (Mr Nigel Evans): Order. May I remind the House not to use the word "you"? Members speak through the Chair and should use the third person, please.

Rosie Cooper: Forgive me. I have a great propensity to do that. I believe passionately in the NHS and I take this all very personally. I apologise.

The Government's policy will fundamentally damage the health service in terms of both the quality of care available to patients and the founding principles of the NHS. The more we debate Government health policy, the less the Secretary of State seems to be listening, whether to Opposition Members, medical professionals, patients, patient groups or constituents.

I might go further and say that I now believe the Secretary of State occupies a parallel universe—a universe where everyone wholeheartedly supports his policy and believes him when he says that there is real-terms growth

in NHS spending, a universe where waiting times are not increasing, people are not being refused treatments, bed-blocking is not happening because of pressure on the social care system, a universe where he never discussed the issue of re-banding of nurses with the Royal College of Nursing.

Unfortunately, while the Secretary of State, ably supported by the Prime Minister, is off in that parallel universe, which we shall call delusional, the rest of us are left facing the terrifying reality of what the Government's policy means to our constituents and to the national health service. We must disregard the rhetoric and the myth-making of the Conservative party as it seeks to demonstrate that it has changed when it comes to the NHS. Sadly for the health service, the Conservatives have not changed at all.

I have spoken repeatedly about the Prime Minister's clear promises to the British people—one was that there would be no more pointless top-down reorganisation. He even said:

"When your family relies on the NHS all the time—day after day, night after night—you know how precious it is".

How quickly those words were forgotten. Michael Portillo comments on the BBC's "This Week" spoke volumes. He could not have made it clearer that the Government meant to misrepresent their position and mislead their voters. He said:

"They did not believe they could win if they told you what they were going to do."

My fear is that their broken promises are leading us headlong into a broken NHS.

There is much I could say about how disgracefully the Government started to change NHS structures without the consent of the people or the House. Because of those broken promises, a failure to secure a clear mandate for the reforms from the British public, and an abject failure to secure support from the clinicians and the medical profession, we are left in the present mess. I hear time and again that the doctors, the nurses and the professionals are all behind the Government. Where are they? They are shouting loud and clear, "We're not with you."

Henry Smith: Will the hon. Lady give way?

Rosie Cooper: I fell for that last time and did not get to the end of what I had to say.

I will not go on about the rest of the problems that I see with the Bill—the financial challenge, the fact that we are open to European competition regulation, or the fact that the chair of the NHS Commissioning Board believes the Bill is unintelligible. I believe the Bill has been driven forward as an ideological exercise, rather than by an ideological desire to improve the quality of health care available.

Barbara Keeley: Will my hon. Friend give way?

Rosie Cooper: Forgive me; I need to get to the end of my speech.

My right hon. Friend the Member for Leigh dealt with the finances and the myth of real-terms growth in the NHS budget. My local trust is being asked to go beyond the 4% savings compounded over the next four years and will be expected to achieve 6% or £8.5 million in this financial year. On top of that, Monitor expects trusts to make a 1% profit. People who have given evidence to the Select Committee have said it is clear that there will need to be hospital closures in order to release money back into the wider health service. We are told that this is all part of managing demand and redesigning pathways—two horrible phrases that appear to be back in vogue.

I want to deal quickly with the re-banding of nurses to reduce budgets, which the Health Secretary appears to have little understanding of. I am sorry he is no longer in his place. He clearly told the Health Committee that he was unaware that re-banding was taking place. His problem is that Janet Davies from the Royal College of Nursing told the Committee that, although the RCN does not release conversations, that issue was clearly discussed. I really worry about that. Does he have a twin he is sending into meetings on his behalf? Does he simply not listen? It would not be the first time. Or is the truth even worse, and should he be described in terms that Mr Speaker would call unparliamentary? The Secretary of State said earlier that he stood by his answers to the Committee. He has also claimed that he did not receive a letter from me, but I can confirm that he received it at 11.57 on 13 October, and I have confirmation from his office.

Mr Simon Burns: Will the hon. Lady give way?

Rosie Cooper I will not.

The point is that even if the Secretary of State was not aware of the re-banding, as he claims, that speaks volumes about how out of touch he is with the hard-working staff he is supposed to represent. Perhaps he would like to remove himself from his parallel universe—

Mr Deputy Speaker (Mr Nigel Evans): Order. I call John Pugh.

2.41 pm

John Pugh (Southport) (LD): May I take it as read that the NHS will struggle to find the £20 billion savings agreed in the Labour Budget? May I take it as read that that will impact on services and that people will notice and probably blame this Government's legislation regardless of whether or not it compounds the problem? The debate we have been having on how NHS spending is or is not to be ring-fenced is almost a sideshow, compared with the huge challenge that is consistently emphasised by the Chairman of the Health Committee.

I draw Members' attention to the fact that serious financial trouble is already breaking out in the acute sector. Seven of the 19 foundation trusts in the north-west have a red light, and that region is one of the more stable ones that we could consider. I cannot see any obvious happy endings, even without the Bill. Without the Bill we would still have competition by price, competition law would still be applicable, PCTs would still be capable of looking for the lowest common denominator and we would still have an unaccountable NHS.

To add to the general misery I am trying to perpetuate, on Saturday I had a severe abscess on my tooth, which was extraordinarily painful and unpleasant. After taking large doses of ibuprofen, which gave me a little relief for an hour, and my face being swollen and peculiar—a little more peculiar than it currently is—I sat up in bed in the middle of the night with my iPad looking up home remedies on the internet—cloves, bicarbonate of soda and so on. I found forums populated by desperate

[John Pugh]

sufferers looking for a fix. What surprised me most were the American contributors, a considerable number of whom were obviously afraid to go to a dentist, despite the fact that the US is a rich country with no shortage of good dentists. They were settling for severe and continuous pain or for hit-and-miss experimentation, rather than risking debt and bankruptcy. Thankfully, I was in the UK and we have the NHS. On Sunday night, almost unbelievably, I was seen at 6.15 by an emergency dentist, a Polish dentist at the former Litherland town hall, which is now a busy Sefton NHS walk-in centre with a pharmacy attached—a service I did not know existed prior to these events.

Thankfully, the NHS is an institution built on solidarity. Through the state, we guarantee by our taxes each other treatment according to need and irrespective of means. It is a moral compact and Governments have been prepared to carry out that compact by ensuring that the services that are needed exist. Historically, they have done this in two ways: first, by buying services on our behalf; and secondly by providing services directly on our behalf. Governments and the people working in the NHS have done this relatively well and relatively efficiently, as the Wanless report and the Commonwealth Fund report have rigorously and exhaustively demonstrated. That is indisputable.

What is strange about recent developments is the Government shying away from their role as a provider of health care. The original debate was over the renouncing of the Secretary of State's role as a provider, but we can also see the cutting loose of all hospitals as free-standing foundation trusts; the blurring of boundaries between NHS providers and other sorts of providers, with NHS providers doing more private work and the private sector doing more public work; the forcing—genuine forcing in some places—of non-hospital staff working for the NHS to become independent social enterprises; the neutrality of the Department of Health on whether individual NHS providers or provider networks survive, a neutrality that will be severely tested in the months to come; and the willingness to make NHS provision contestable as a matter of principle, rather than one of pragmatism. Not many people have noticed the ending of the Secretary of State's powers to create a new foundation trust or hospital post-2015. We might have seen the last new NHS hospital opened by a Secretary of State in this country.

I found the Secretary of State's unwillingness to stick to the wording of the Health Act 2006 slightly bizarre, if only because that would easily have brought peace, and may have brought peace now, depending on what exactly has happened in the House of Lords. In a sense, we all know that the Secretary of State does not, has not and cannot provide all the services himself and should not try to micro-manage. I did not seriously expect him to turn up at Litherland town hall on Sunday—visions of Marathon Man come before me. What concerns me is the ideological presumption that the Secretary of State should only be a purchaser or commissioner. There is a good reason for that concern; it is only possible to purchase in a market what that market offers. Markets are splendid things, offering choice and variety, but they do not have a guarantee that people will get what they are entitled to, and they do not ensure that health inequalities, or any sort of inequality, can be eroded, and they do not guarantee that public resources are spent and used in the most efficient way. They may lead to that, but not necessarily. Direct state provision is often a better option.

Dr Thérèse Coffey: I respect my hon. Friend's point of view, but surely what matters is quality of care for patients, which can be provided as well in the private sector as it can in the public sector, and it is not necessarily guaranteed in the public sector, as events at the Mid Staffordshire hospital have shown.

John Pugh: I did not say that it was guaranteed by the public sector. That is not the point I was making at all. Guaranteeing entitlement, addressing inequalities and ensuring public value are, to be blunt, largely the point of the NHS. I can quite understand—I partly regret it—that a degree of cynicism might exist about the public service ethos, and a sort of nostalgic support for that can sometimes be in place when the reality is that it is not there. There is doubt about its true impact and people inside and outside the NHS sometimes show that degree of cynicism, which is regrettable. I can understand the worry that NHS providers can become lax or inefficient or unambitious if they are not challenged, but the answer to that is not necessarily or obviously to get out of the provision business full stop, embrace the market, set up strange control markets with huge transactional costs, strange tariffs and the multiplicity of bean counters that go along with that. Of course there is also greater legal complexity. The end result of that is something that has few of the virtues of a real market and most of the vices. The Labour Government were to some extent part and parcel of producing such a market. I see no reason to make the state just a purchaser and never a provider, and it is not obvious to me that the answer is to hand over the money to one set of providers, the GPs, particularly if the pretext for doing so is to harden the commissioner-provider split, because GPs are providers.

In conclusion, publicly funded provision—public service infused with the right ethos—is often the most efficient and effective option, provided that it is coupled with genuine, local and rigorous accountability. That is what happens in many successful systems, such as Sweden's, and it is a liberal solution. So far, there is not enough of it, although the Bill makes laudable moves in that direction, with health and wellbeing boards and so on, but this strange, unargued and ideological withdrawal from provision or interest in provision taints everything and leaks poison into the system—like an abscess.

2.50 pm

Mr Kevin Barron (Rother Valley) (Lab): I support the motion on the Order Paper this afternoon, and I am very sorry that the hon. Member for Kingswood (Chris Skidmore) has left his seat, because he was coming out with a load of reasons why the NHS is in the mess it is in now, saying that it was to do with the previous Labour Government. He mentioned Adrian Mole, but I would have advised him not to use such arguments when, in the same breath, he was talking about the money that was spent on the NHS IT programme. It was nowhere near the £12 billion that he mentioned. People would be wise to look at the IT system, because it was ambitious in terms of creating a national database, and given my experience on the Health Committee that

looked at the issue in the previous Parliament, I must say that if we want to make the national health service efficient, we will do so with IT. Currently, there are few programmes that manage people with long-term conditions, yet they consume between 75% and 80% of the moneys spent on the NHS, so batting arguments around on that basis, as the current Government did in opposition in relation to IT will not make health care better or the national health service more efficient for people in this country.

Members have mentioned three issues with the coalition agreement. I am going to leave the one on finance as it stands, because there is an argument about the Treasury figures. We will see in the next year or two, if the next election is in 2015, exactly where the issue goes, and then we will be able to comment a little more than we are able to at the moment.

On moratoriums, I saw a very embarrassed Secretary of State at the Dispatch Box today, and I am going to be consistent, because when I was Chair of the Health Committee and sitting on the Government Benches, I criticised on two occasions then Government Front Benchers for such stunts. I did not criticise Health Ministers, but I did make one criticism in a closed place, after a Secretary of State—not for Health, but a Scottish Member who no longer sits in the House—stood on the picket line against the closure of a hospital in Scotland near his constituency.

Another criticism I made was of a Member—who is still in the House but, again, not a Health Minister—who was against changes to health care in Greater Manchester. I was asked by the media—I think it was the BBC—and I said that, if the issue is being looked at locally and it is recommended that such reconfiguration will improve patient services, it should go ahead and politicians should not speak out against it. I then received the quickest response I have ever had on any issue from No 10 Downing street, but I stick to what I said then: the matter had been looked at locally.

I listened to the Secretary of State—I am sorry he is not in his place now—when he talked about stopping top-down decision making and letting local commissioners have a look at the clinical evidence and safety aspects, but the independent review panel has been looking at those matters for years. The interference of people at the top has been the real issue.

Politicians have to get away from the idea that they must defend the national health service in its current configuration at all costs. That will not improve it—*[Interruption.]* The Minister of State, Department of Health, the right hon. Member for Chelmsford (Mr Burns) laughs, but I am talking to him, and to the Secretary of State who stood holding up placards saying things would not happen which have happened. We should not do that. My right hon. Friend the Member for Leigh (Andy Burnham) has the image of that in his hand, but this is a lesson for all people in politics.

When the Health Committee in the previous Parliament looked at NHS deficits, it found that many years ago the major problem with deficits was in the east of England, because many small parts of the NHS were spread around marginal seats that had been fought for one way or another over the previous 20 or 30 years. That level of political interference does nothing for patient care. I am being even-handed in saying that, and I genuinely believe it.

I am going to move on from moratoriums. Ministers put well their arguments on those issues when they were in opposition, but now, given the decisions they are having to take in government, they are having to eat humble pie. It serves them right, as it served the last lot right.

I want to go on to the coalition agreement's statement that there will be no top-down reorganisation in the national health service, because this current reorganisation is the worst, the biggest and the most savage. It has been defended again today on the basis, as the hon. Member for Southport (John Pugh) said, that GPs are going to be in charge, but they are going to get about £80 billion, and they are small, private, independent contractors, so the idea that there will not be any conflict of interest in some of the work that is going to take place is nonsense. It will be a matter for the courts.

I was also amazed when the hon. Gentleman said that we have competition now inside the national health service, because we do not in clinical services, and he will have to explain why there are 97 clauses in the Health and Social Care Bill which put competition law in clinical services on to the statue book of this land. Can somebody find me one country in the European Union which has competition law in clinical services? I have found none.

I sat on the Public Bill Committee for six months, and, on Third Reading, I asked the Minister who will make the winding-up speech today—I will ask him again, because I have to sit down in a couple of minutes—what the Competition Commission and the Office of Fair Trading had got to do with the merger of national health service trusts. That provision is written into the Bill, and it was not changed when the future forum looked at it; indeed, of the 97 clauses, only seven were changed. The Minister has not answered that question, and I asked Professor Steve Field when he went back to the Public Bill Committee what that had to do with the merger of NHS trusts.

I ask the Minister to answer this question when he winds up the debate. What have the Office of Fair Trading and the Competition Commission got to do with the merger of national health service trusts? I await the answer. I am fed up of asking the question.

The Secretary of State says, "We're abolishing PCTs," and indeed we are, but what PCTs do will be taken over by not one body but five different ones: clinical commissioning groups, health and wellbeing boards, clinical senates, the NHS Commissioning Board and local authorities—and that is how we get rid of bureaucracy! That is what the Secretary of State said at the Dispatch Box just a while ago, but five different organisations—some of them new—are going to be involved.

This is the biggest mistake that any Government have made with the NHS since it was brought in 60 years ago, and this Government would be well advised to take the Bill away and get on with serving the nation's health care needs, not bringing in this competition law, which will be the end of the NHS as we know it.

2.58 pm

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): It is always a pleasure to follow the right hon. Member for Rother Valley (Mr Barron). He would be surprised if I agreed with everything he said, but he made some good points in the first half of his speech.

[Dr Daniel Poulter]

Today's debate has been a wasted opportunity for the Opposition, because nothing positive has come out of it—nothing about how we will better look after patients or how we will address very real needs in all our constituencies. There has been a lot of mud-slinging but very little talk about what will benefit patients and how we will deliver a patient-centred NHS.

That is to the detriment of the Opposition and to the way in which they have addressed the motion. It is disingenuous of Opposition Members to attack the Prime Minister and the Secretary of State for Health, and to try to give the impression that my right hon. Friends do not care about the NHS. All politicians and, I believe, everyone in the country care about the NHS, but we have slightly different views about how the service should be run.

I have a great deal of time for the hon. Member for West Lancashire (Rosie Cooper) and I like her very much on a personal level, but some of her points were wrong. In particular, it was wrong to bring the Prime Minister's personal experience into the debate. He had a difficult family circumstance, and of course someone with that background will understand the NHS very well.

Rosie Cooper *rose—*

Dr Poulter: The hon. Lady did not make her point very well, and she did not allow me to intervene on her. I am sure that the Minister will address the points that she made about the letter.

Mr Simon Burns: It might be useful at this stage to clear up the point about the letter. The hon. Member for West Lancashire (Rosie Cooper) said that my right hon. Friend the Secretary of State had not replied to her letter, as though it had been sent months ago. It was dated 12 October, so I presume that it arrived in the Department of Health on 13 or 14 October, about 12 or 13 days ago. Hon. Members know that the guidelines, which the Department rigorously keeps to, state that it may take up to 20 days to receive a response. My right hon. Friend has not been discourteous, and the hon. Lady will receive a reply within the time scale.

Dr Poulter: I thank my hon. Friend for clarifying an earlier point.

I will not engage in mud-slinging, but will talk about what hon. Members on both sides of the House want to emerge from the NHS. The right hon. Member for Leigh (Andy Burnham) was absolutely right that some service reconfiguration is necessary to deliver services in communities, improve community care and build an integrated health service with integrated health care. The right hon. Gentleman spoke specifically about an integrated system and better integrating adult social care, especially for the elderly, with current NHS providers, breaking down some of the silos between primary care, the hospital sector, and adult social services.

Barbara Keeley: Was the hon. Gentleman as concerned as I was at the Select Committee on Health on Tuesday when I asked Richard Humphries of the King's Fund how the Health and Social Care Bill will impact on integrated commissioning? Richard Humphries said that there is a danger to integration because people are leaving PCTs, working relationships are being disrupted and broken up, and partnerships are being disrupted. As my right hon. Friend the Member for Leigh (Andy Burnham) said, we face years of disruption. That is the danger. Progress on the integration agenda was slow, but it is chaotic now.

Dr Poulter: I thank the hon. Lady for her intervention. Any period of transition will be difficult, and must be managed. Will the mechanisms and bodies that the Health and Social Care Bill will put in place be better able to deliver community-focused, integrated care than the existing system? I want to consider two matters that we will come to later: health and wellbeing boards, and basing commissioning fundamentally in the community. Both are good mechanisms for delivering better integrated care, and I will return to that.

We have too many silos in the NHS. The primary care sector often does not integrate with the secondary care sector as well as we would like. For example, hospitals are paid by results, but they have no financial incentive to ensure that they prevent inappropriate hospital admissions. We talk about better looking after the frail elderly and about ensuring that we prevent people with mental health problems from reaching crisis point and having to be admitted, but there are no financial incentives and drivers in the system to ensure that that is achieved to the extent we would like. A and E admissions in many hospitals are rising year on year—in rural areas that is partly because we do not have an adequate out-of-hours GP service—and far too often the frail elderly are not properly supported in the community.

If we put the majority of commissioning into the community with local commissioning boards, that will provide a more integrated and joined-up approach to local commissioning, which will undoubtedly help to prevent inappropriate admissions. We no longer want an NHS in which people with mental health problems or the elderly present in crisis because they have not been supported in the community. That must be the focus of care, and the focus of delivery of services.

Sarah Newton: I wholeheartedly agree with my hon. Friend about the importance of integrating social care and the NHS. I want to share with him the good, concrete steps that are being taken in Cornwall, where we have a pilot health and wellbeing board, and the beginning of integration. That has not happened before in Cornwall, and we are about to have the first joint commissioning of services. That is the way forward to improve patient experience in the NHS.

Dr Poulter: I thank my hon. Friend for a helpful intervention, which makes the point very well that we need integration through community-based commissioning.

The other key factor is how better to integrate adult social care—the right hon. Member for Leigh made the point, as did the Secretary of State—into the current NHS system. At the moment, integration of services is sometimes variable. There is a good example in Torbay of a more integrated system, but what are the Government proposing that will at least facilitate the integration of services? Local health and wellbeing boards are definitely a step in the right direction because for the first time they will bring together adult social care from local authorities with housing providers, the NHS, and primary

and secondary care. That must be a step in the right direction for delivering the integrated care that we all want. It will help to provide more community-focused care.

I referred to the concern about inappropriate admissions, and the fact that elderly people are not supported in their own homes. The savings in adult social care from doing things well are NHS savings, but at the moment there are different cultures in two different organisations, which do not always talk to each other in different parts of the country, and that will not benefit patients. Bringing people together on a health and wellbeing board must be good for patients and integrated care.

For all those reasons, I hope that we will have more positive Opposition day debates on the NHS, and I hope that the Opposition will at least concede that some good things are happening as a result of health care reform.

3.7 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): It is always a pleasure to follow the hon. Member for Central Suffolk and North Ipswich (Dr Poulter). I do not want to impugn his integrity, or to suggest that what he wants for the NHS is not exactly what I want. The issue is how we do that. Unfortunately, some unhelpful remarks were made in the run-up to the general election. At the least, they were disingenuous; at worst they were duplicitous. This debate is about trust, and there are serious questions about whether we can trust the Government with our NHS.

My right hon. Friend the Member for Leigh (Andy Burnham) has argued that pre-election pledges have been broken, and I want to speak specifically about how that relates to NHS funding. The first broken promise came within months of the general election. We have heard about the posters that we all saw as we went round our constituencies, showing a congenial right hon. Member for Witney (Mr Cameron), now the Prime Minister, promising to

"cut the deficit, not the NHS".

Last October's spending review seemed to support that position, with a 1.3% increase in NHS resource spending and real-terms growth of what seemed to be 0.4%. The Secretary of State, who is just returning to his place, was unable to answer my question on that. I want to talk abut management costs, because the Department is focusing on that spending. It is important to be clear about management costs in the NHS budget. In 1999, they were less than 3%; in 2010, they were just over 3%. Independent research has shown that, if anything, the NHS is under-managed rather than over-managed. *[Interruption.]* I can certainly provide evidence for hon. Members.

Dr Thérèse Coffey: Will the hon. Lady give way?

Debbie Abrahams: No, I am sorry; I am not going to give way.

We should compare our health care management costs with those in the United States, where they run at over 20%. We need to be very careful about what we are talking about.

Mr Steve Brine (Winchester) (Con) *rose—*

Debbie Abrahams: I am not going to give way—I am sorry.

In this year's Budget, the Office for Budget Responsibility's higher inflation forecast meant that NHS spending is now falling in real terms. House of Commons Library calculations show that it will fall by about 1% in real terms over the next four years—a loss in spending power of more than £1 billion by 2015. In the light of the recent inflation figures—*[Interruption.]* To help hon. Members out, last year's figure was 5.6% based on the retail prices index. As inflation is at a three-year high, the loss in spending power is likely to be even greater. To keep his election promise, the Prime Minister would have to spend at least £1 billion more than he is doing.

This month's King's Fund report on NHS performance shows the effects of these financial pressures on the NHS, with the majority of finance directors saying that they are very or fairly pessimistic about the financial future of their local health economy. The Health and Social Care Bill, which is being debated in the other place, very conveniently sets out ways to help struggling foundation trusts. First, they can borrow money from the City to invest. Secondly, because foundation trusts will have to repay the money they have borrowed by treating more NHS patients and more private patients, they have been helped by the abolition of the cap on private patients' income. However, as my right hon. Friend the Member for Leigh said, by raising income in this way they become economic enterprises and open themselves up to part B of EU competition law, so that they have to compete for every tender with private sector companies such as Capita, United Health, and so on. Incidentally, seven trusts, including in the Secretary of State's constituency, have already said that they will be increasing the private bed cap. There is a private hospital in the Cambridgeshire University hospitals foundation trust area. Finally, when—not if—a foundation trust still ends up in financial meltdown, the Bill's new failure regime means that they will be able to sell off NHS publicly owned assets to private equity companies. There are direct parallels with Southern Cross.

The impact of that is already being felt in patient care. In addition to what is said by constituents attending my and many of my hon. Friends' surgeries, the King's Fund report showed that the proportion of patients waiting more than 18 weeks for treatment has increased nationally. Over a quarter of NHS trusts admitted fewer than 90% of their patients within 18 weeks. In my constituency, Pennine acute hospitals trust is able to treat only 70% of patients within its 18-week targets. That is more than double the number of trusts failing to meet the 18-week target in 2010.

I am afraid, however, that an increase in waiting lists is what the Government want; it is one of the intended consequences of the Bill. This increase in demand is feeding the growing private health care and insurance market. We know from the US that as people on low incomes will be less likely to be able to afford these products, there will be a direct impact on the inequalities that the Secretary of State says that he wants to reduce.

Barbara Keeley: My hon. Friend is concerned about health inequalities. Is she as worried as I am about changing the weighting of health inequalities in allocations of funding? In Salford, our experience is that that can

[Barbara Keeley]

push GP practices in deprived areas into the red in their indicative budgets, so they will be cutting down referrals and reconsidering treatments—another way of denigrating and cutting the benefits of services to patients.

Debbie Abrahams: My hon. Friend is absolutely right. I will come to that in a minute.

In fact, that is broken promise No. 2. Last week in Health questions, I asked the Secretary of State why, in December last year, he made a political decision, against the advice of the Advisory Committee on Resource Allocation to maintain the health inequalities component of PCTs' funding allocation at 15%, and instead reduced it to 10%. He replied that he had made no decision against the advice of that Committee. However, it is quite clear from last September's letter to him from the chair of the Committee that that is exactly what he did:

"I would like to draw your attention to ACRA's position in relation to the health inequalities adjustment. We recommend that the current form of the adjustment is retained".

The

"current form of the adjustment"

was 15%, and the Secretary of State made a political decision to reduce that. He should be apologising to the House for misleading us in his response to my question. The effect of that reduction is to shift funding from poor health areas to good health areas. The Secretary of State owes an apology to the people in those areas, as well.

I turn to broken promise No. 3. Although the move of public health to local authorities is welcome in principle, the timing could not be worse. Already, we are seeing plans that jeopardise the public health function as they move into local authorities besieged with cuts. As Labour has consistently argued, our health and social care system needs to balance the treatment and care of people who are poorly with creating supportive environments that enable all our citizens to live as healthily as possible for as long as possible—focusing upstream on stopping people falling in rather than on pulling them out further downstream, to use a familiar metaphor. That is absolutely key, but unfortunately the current approach means that it is not going to happen. For example, public health budgets, said to be ring-fenced, are not being ring-fenced. The shadow budgets that were being provided to public health departments for 2012 were supposed to increase from 3.7% to just over 4%, but further analysis showed that that increase was due to merging the public health and drug action team budgets, and not to any new moneys. There was, in effect, no real increase in public health funding.

I anticipate a future broken promise in relation to what the Secretary of State has said about privatisation: I think it will be a case of "Watch this space."

3.16 pm

Jeremy Lefroy (Stafford) (Con): I apologise for missing the opening few minutes of the debate. I was attending the awarding of the gold Duke of Edinburgh's award to 800 young people in London. It would be marvellous if the press would give as much time to reporting the fantastic achievements of our young people as to the occasional incidents of antisocial behaviour in our communities.

I wish to speak about what I have learned from the experiences that we have had in my constituency regarding our own hospital over the past few years, which have been very troubling for many of us. I will consider these under three headings. First, there is the quality of care and patient safety. As we have learned only recently in the report by the Care Quality Commission, there are problems with quality of care, particularly for elderly people, around the country. That is not the case everywhere; there are some fantastic instances all over the country of very high-quality care. However, it is clearly something that we have to address. I congratulate the Secretary of State on taking the initiative in instigating the CQC report, and I would be very interested to hear from him, as would my right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes), about what action he proposes to take in the coming years. I know that the Secretary of State takes this matter extremely seriously.

Patient safety is absolutely essential to the NHS. "First, do no harm"—we all know that from the Hippocratic oath. It is given the highest priority, but it does not always seem to happen. Of course, it is a matter of several different things coming together, such as training, levels of staffing and process—but, above all, attitude. What is the Secretary of State doing more to promote the culture of patient safety throughout the NHS? Again, he takes that particularly seriously, and it was mentioned in last year's White Paper.

Sometimes, the NHS seems almost to rely too much on the complaints system. A complaint happens when it is too late and when the experience has passed: when something unfortunate or tragic has happened, or when care has not been all that it could have been. I would suggest a system that has been taken up by some trusts and particularly in Brighton, whereby people can raise an issue via an urgent phone line while they, their loved one or their relative is in hospital, perhaps to an independent person who can take up the concern, whether it be about malnutrition in hospital, a lack of care or the inaccurate dispensing of drugs. It can then be addressed on the spot rather than after the event, when a complaint goes through the procedure and lots of letters are written and time consumed. I ask the Secretary of State to take that into account.

The second issue is changes in hospital services, which are a huge challenge for many acute hospitals, especially smaller ones. I agree with the right hon. Member for Leigh (Andy Burnham) and my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter) that care has to be taken out of the hospital setting. That is being done across the country and it is essential to the future of the NHS. However, it has to be done in a careful and measured way, so that the reconfiguration and integration of community services complement each other. It is no good having reconfiguration without integrated community services. I heard the case of a constituent who was waiting in an NHS hospital for several weeks at a cost of about £600 a night when she could have been discharged, because the care services were not available in the community. I am glad to say that Staffordshire county council is working closely with the NHS to produce an integrated care trust. That must be the way forward for most, if not all, of the country.

There is concern in all our communities about emergency services. We have to bear it in mind that the population of this country is likely to rise to 70 million by 2028

according to the Office for National Statistics. We need to ensure that the local development plans that are being toiled over at the moment take into account the increasing population and where it will be in 10 to 20 years' time, and that we do not just base our services on the current population figures. We must also consider communications and whether it will be possible for somebody to get to an A and E department in a reasonable time if their closest one is downgraded. Those matters need to be taken into account because they are of huge concern to all our constituents. I ask the Minister to respond on that point.

On communication, let us be honest about the pressures on the NHS and say that we will not be able to have everything that we want. We need to talk with our constituents and hear what their priorities are in each area.

Finally, I want to refer to shortages in trained staff. There has been a shortage of A and E consultants at my local hospital. I am grateful to the Department of Health, the primary care trust and the Secretary of State for taking a personal interest in the matter and giving us assistance. However, that is a short-term solution and we need a long-term one. The previous Government did well to start up some new medical schools, including one at Keele university in Staffordshire, but we need to train more people. I understand that up to 30% of NHS doctors come from overseas. We are relying on the medical training of other countries, many of which need those doctors more than we do. I ask the Secretary of State what plans he has to ensure that we begin to see a flow-through of trained doctors and nurses into the NHS. Of course, we have to start that now to fulfil the needs that we will have many years down the line.

Stafford has been through difficult times and continues to experience them, even though many incredibly dedicated people are tackling our problems. I welcome the help that the Government, the Secretary of State and the primary care trust have given. The next few years will be very trying for all of us as we meet those challenges. As my hon. Friend the Member for Central Suffolk and North Ipswich said, we must remember that the patient is at the heart of everything—not processes, not bodies, not organisations, but the patient.

3.24 pm

Stephen Pound (Ealing North) (Lab): There are few areas of our work in this House that may be described, honestly and without hysteria, as matters of life and death. The national health service is so utterly central to our existence, our future and the hopes of our country that it is no surprise that the emotions it engenders are as strong as those that have been witnessed on the Floor of the House this afternoon.

I have to tell the Secretary of State that he has a problem. He is a man of great charm, he is widely liked and he is popular, yet he has not sealed the deal on his disintegration, disaggregation and atomisation of the national health service. He has not been able to persuade the Royal College of General Practitioners, which tells us that three quarters of its members oppose it. He has not been able to persuade Professor Malcolm Grant, his own choice to run the commissioning board, who describes the plan as "completely unintelligible". The Secretary of State wishes to persuade the nation that it is appropriate, at this time of all times, to spend about £3 billion on reorganisation—money that could be far better spent dealing with the dental abscess of the hon. Member for Southport (John Pugh) and all the other problems that face us.

The hon. Member for Truro and Falmouth (Sarah Newton) spoke for many in the House when she prayed for a depoliticisation of this issue. The reality is that the national health service was born amid the gun smoke of political opposition; it was born opposed entirely by one political party in this House and supported by another. Of the supporters—

Mr Brine *rose—*

Stephen Pound: Hold on a moment, I am just having a rant.

Of the supporters, let us give credit—because there once was a time when we could give credit to a decent, humane, sensible, consistent bunch of men and women—to the Liberals of those days and to Beveridge for the work that he did. Above all, let us never forget the transcendent genius of a south Wales miner's son who left school at the age of 14, Aneurin Bevan, who gave us our national—I emphasise "national"—health service.

Mr Brine: I apologise profusely for interrupting a rant that I was enjoying. While we are on the subject of opposition to the conception of the national health service, can we place on record the fact that the British Medical Association also opposed it?

Stephen Pound: May I thank the hon. Gentleman? I do not know how anyone persuaded him to bowl me that patsy ball that I can immediately crack to the boundary. He is absolutely right. Dr Hill, the radio doctor, opposed the national health service. Aneurin Bevan said that he had had to

"stuff their mouths with gold".

Of course the producer interest opposed the beginning of the national health service because it was about the consumers—that was its major difference. Of course the vested interests opposed the creation of the national health service—that is no surprise. But that was then.

The national health service was born in compromise. I was born in July 1948, as was the NHS. For many years I was suspected to have been the first child ever born on the NHS, in Queen Charlotte's hospital, but somebody in Salford beat me to it.

Barbara Keeley: Trafford.

Stephen Pound: Trafford. I beg your pardon. However, the year before I was born, my parents had a son who died at the age of seven months. The year before that, they had another son who died at the age of eight months. I was born on 5 July 1948, two days after the health service, and I have my five brothers and sisters alive to this day. It is that important.

When I worked as a porter for 10 years at the Middlesex hospital, where my sister and wife were nurses and one of my brothers was an ambulance driver—half the family seemed to be employed there—we realised the consequences of the pragmatic approach to the health service. We had a private patients wing where people like myself, paid by the national health service, did work for people who paid money to a difference source, and where doctors trained under the

[Stephen Pound]

NHS got personal recompense. One of the single most important aspects of our lives has been political from day one.

Each of the Health Ministers will remember, as I do, that we have sat in the same House as an hon. Member who lost his seat over a hospital closure. Let us never forget Wyre Forest and Kidderminster hospital. It is almost impossible to be objective about this issue. When the Turnberg report was published, it proposed an entirely sensible reconfiguration of London's acute general hospitals, but it was opposed by almost everyone because of parochial and local issues. When polyclinics were proposed under the previous Government—one of the most logical, sensible, rational and helpful ways of providing primary health care—they were violently opposed by the Conservative party.

The situation now is that there is no consensus. However, I have not often seen anything quite so consensual, positive and forward-looking as the reference in today's motion to an offer made by the Leader of the Opposition and the shadow Health Secretary of

"cross-party talks on reforming NHS commissioning."

What could be better for the country, and for the reputation of this House, than our recognising that the NHS is not a political football or an issue on which we can strike postures? Yes, there are ideological differences between us, and Opposition Members may wish to see a greater infusion of finance-led choice, more and more commercialisation and an end to the Whitley system, which has survived for so many years. They may wish to see local pay bargaining setting hospital against hospital, clinic against clinic and clinician against clinician, with a constant stream of industrial disputes as localised pay bargaining bursts out all over the place in some industrial conflagration that attracts even more attention. At the moment we have one of the lowest numbers of hospital managers anywhere in Europe, and we will inevitably have to spend more and more on a greater and greater number of managers to deal with all that localised bargaining.

Debbie Abrahams: Will my hon. Friend give way?

Stephen Pound: I will give way to my hon. Friend, who knows far more about the subject than I do.

Debbie Abrahams: I thank my hon. Friend, and I am greatly enjoying his speech. Does he agree that the opening up of competition under the Health and Social Care Bill as it stands will be a real threat to the NHS as we know it?

Stephen Pound: I am grateful to my hon. Friend, and may I place it on record that, as I am sure virtually everybody in the House would agree, she has brought enormous expertise in this area to the House, for which we are extremely grateful?

The NHS cannot be disaggregated. It has to be a national health service, not a notional health service, a postcode health service, a better-in-some-parts-than-others health service or a good-for-Kensington-bad-for-Kidderminster health service. It has to be for the nation, and why? Because Beveridge did not just produce a one-point proposal for the NHS. There were actually five evils that he wished to slay. It was an integrated proposal that addressed want, hunger, ambition and other issues.

The NHS is not just an agency to patch people up; it is part of providing a healthy, productive nation and increasing the good and the good life within this country. At so many levels, we have to look beyond the bottom line and beyond, as the hon. Member for Southport said, the bean-counting philosophy. The NHS should not be about the click of the abacus in some cobwebbed recess, or about constantly seeking whether things can be bought cheaper here or commissioned for a lower price there. It should not be about container-loads of cheap goods being shipped in from Shanghai because some GP commissioning group somewhere has discovered it can get a discount on Tubigrip. It should be about the recognition that the health of a nation is utterly crucial, basic and intrinsic to that nation's hope and future. Without health, we have no future.

Pat Glass (North West Durham) (Lab): I am sorry to break my hon. Friend's flow, but is it not the underlying principle of this country that we take care of one another? That is the principle behind the NHS and what the NHS stands for.

Stephen Pound: It has been said—not by me, but by some—that the NHS has almost become the national religion. They say that as Christianity has faded, as it has in some places—not in my constituency, and certainly not in my home—the NHS has become more important. The NHS is the perfect example of what Galbraith called the "gift relationship", when we look out for one another. We should not constantly look for the bottom line, but instead look to be our brothers' keepers. That is the principle—

Mr Deputy Speaker (Mr Nigel Evans): Order.

3.35 pm

Liz Kendall (Leicester West) (Lab): It is a privilege to close the debate on the Government's record on the NHS and to follow such excellent contributions from many hon. Members.

My hon. Friends the Members for Easington (Grahame M. Morris) and for Ealing North (Stephen Pound) rightly spoke of the waste of the Government's NHS reorganisation. The Government have spent £850 million on redundancy payments for primary care trust staff who will be re-employed in commissioning organisations elsewhere. My hon. Friend the Member for West Lancashire (Rosie Cooper) rightly asked the Secretary of State, who is moving from his usual place on the Front Bench, why he was not aware that trusts are re-banding nurses in order to save costs. Labour Members, who talk and listen to front-line staff, know that only too well.

My right hon. Friend the Member for Rother Valley (Mr Barron) and my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams), whom I was privileged to sit alongside in the Health and Social Care Bill Committee, rightly raised the risks of the Bill widening health inequalities and worsening patient care. My right hon. Friend was right when he said that the Bill will be one of the Government's biggest mistakes.

The hon. Members for Stafford (Jeremy Lefroy) and for Central Suffolk and North Ipswich (Dr Poulter) rightly raised the important issue of the need to integrate health and social care and develop more community-based services, although Opposition Members believe that the Government's NHS reorganisation, and their huge cuts to local council budgets and social care, will make that far harder, not easier, to achieve.

Before the general election, the Prime Minister made three key promises on the NHS. He promised no more top-down reorganisations; he promised patients up and down the country a bare-knuckle fight to save their local hospitals; and in both the Conservative manifesto and the coalition agreement, he promised that he would increase health spending in real terms in each year of the Parliament. Barely 18 months later, he is forcing through the biggest reorganisation in the history of the NHS—the NHS chief executive says that it is so large, it can be seen from outer space. Local NHS services in Bury, Burnley, Hartlepool and Chase Farm are not being saved or reopened as the Prime Minister and Secretary of State pledged, and, according to Treasury figures, spending on the NHS was cut by more than £750 million in real terms in the first year of this Government. That is three promises made and three promises broken by a Prime Minister who claimed that his personal priority was spelt out in three letters: NHS.

Gareth Johnson: Is the hon. Lady aware that in the past 40 years, real-terms spending on the NHS has been reduced on only five occasions, the majority of which were under a Labour Government?

Liz Kendall: I wish the hon. Gentleman had been here at the start of the debate, when it was made clear that the last real-terms cut in NHS spending was in the last year of the previous Conservative Government.

Doctors, nurses, patients and the public know the truth about this Government's plans. When the NHS should be focused on meeting the biggest financial challenge of its life and on improving patient care, it has instead been plunged into chaos. At precisely the time that the NHS needs maximum leadership and financial grip, the Government's reorganisation is creating havoc. First, they said that they would scrap primary care trusts and strategic health authorities, and replace them with GP consortia. Then they changed their mind, merging PCTs and SHAs in supposedly temporary clusters and replacing consortia with clinical commissioning groups and new clinical senates, and now they have changed their mind again: PCT and SHA clusters have apparently been saved as part of the Government's huge new national quango, the NHS Commissioning Board, which will employ more than 3,000 people.

Professor Malcolm Grant, the Government's own choice to run the NHS Commissioning Board, last week called the Government's plans "completely unintelligible". The very people who are supposed to be running the NHS are confused and wasting time trying to figure out ill-thought-through Government plans. That time and energy should be spent on patients. Far from cutting bureaucracy and saving taxpayers' money, the Government are creating hundreds of new organisations and wasting more than £2.5 billion in the process, when this money should be spent on front-line patient care.

What has been the result of 18 months of a Conservative and Liberal Democrat Government running our NHS? Thousands of front-line clinical staff are losing their jobs and posts are being frozen, piling pressure on those who remain. *[Interruption.]* The Secretary of State shakes his head, but this month the Royal College of Nursing has surveyed 6,000 of its staff and made it clear that 20% of the nurses and health care assistants surveyed said that their job is going to be cut, that 40% are seeing recruitment freezes in their trust and that 13% are seeing bed and ward closures in their trust. Who is more likely to be accurate? The nurses and health care assistants working in our NHS, or the Government, who are denying that any of these changes are taking place?

The result is that patient care is going backwards. Far from what Ministers claim about waiting lists being fine, the number of patients waiting longer than four hours in A and E is now double that of last year. Twice as many patients are waiting more than six weeks for their diagnostic test, and six times as many are waiting longer than 13 weeks. Anybody who has waited, or has had a family member who has waited, more than three months even to get their test knows how worrying and frightening it is, yet the Government deny that there is a problem. Furthermore, 48% more patients are now waiting more than 18 weeks for their hospital treatment.

Despite all the evidence, the Government are in denial. They deny that the number of front-line NHS staff and the number of staff training places are being cut, yet a recent survey by the Royal College of Midwives has shown that six out of 10 SHAs have been freezing staff training places because of the cuts. Given that the Government promised 3,000 more midwives, that is a problem, particularly in constituencies such as mine that have increasing birth rates.

Andrew Bridgen (North West Leicestershire) (Con): What is the hon. Lady's opinion of the £12 billion wasted by the previous Labour Government on the failed NHS IT project?

Liz Kendall: The hon. Gentleman, who is a constituency neighbour of mine, would do better focusing his attention on the RCN and RCM in our area, which are asking us why the Government are not fulfilling their commitment on extra midwives. If he goes to the hospitals in Leicester, as his constituents do, he will know that there are concerns about that.

The Government deny that the number of front-line NHS staff is being cut, that waiting lists are rising and, worst of all, that there is still widespread and growing opposition to their NHS plans.

John Pugh: Does the hon. Lady seriously believe that the £20 billion-worth of savings required by the last Labour Budget could be achieved without cuts?

Liz Kendall: We have been clear on this side of the House. My right hon. Friend the Member for Leigh (Andy Burnham) took some difficult decisions when he was Secretary of State for Health, unlike the current Secretary of State. My right hon. Friend looked at what was happening in local hospitals and took the difficult decisions, based on clinical advice, to improve patient care. That is what this Government should be doing.

[Liz Kendall]

The Prime Minister says that

"the whole health profession is on board for what is now being done,"

but that is simply not the case. The RCN says that the Bill

"will have a seriously detrimental effect upon the NHS and the delivery of patient care".

Four hundred of the country's leading public health experts warn that the Government's plans will cause "irreparable harm" and fail to deliver

"efficiency, quality, fairness or choice".

The British Medical Association says that the Bill

"poses an unacceptably high risk to the NHS".

Government Members now like to criticise the BMA, but before the general election they applauded everything the BMA said. They always want to have it both ways. Three quarters of GPs—the very people this Government claim they want to empower—have said through the Royal College of General Practitioners that the Bill should be withdrawn. *[Interruption.]* The Minister of State, the right hon. Member for Chelmsford (Mr Burns), says from a sedentary position that those groups—the RCN, public health experts, the BMA and the Royal College of General Practitioners—are self-selecting. That is the kind of dismissal of front-line staff that has caused such problems for the Government.

It is not just NHS staff whom the Government refuse to listen to. Organisations such as Age UK and Carers UK say that social care is in financial crisis too. The Government repeatedly claim that they have increased funding for social care, but eight out of 10 local councils are now restricting services to cover only those with substantial or critical needs. Two thirds say that they are closing care homes or day care centres too. The Government's huge cuts to local council budgets mean that vital services and support for older people, their carers and their families are being eroded. That is not protecting the most vulnerable in our society, nor is it protecting taxpayers' interests, because if we do not help older people to stay healthy and independent in their own homes, they end up in hospital.

In conclusion, when people think back to what the Prime Minister said before the election and the personal promises he made on the NHS, they now see the truth: a Government who are out of touch with what is really happening; a Government who refuse to listen to front-line staff; a Government in total denial about the true impact of their reckless NHS plans. This Government's record on the NHS is one of promises cynically made and shamelessly being broken. I commend the motion to the House.

3.47 pm

The Minister of State, Department of Health (Mr Simon Burns): It has been an interesting experience listening to the range of contributions that have been made over the past few hours. Having studied the shadow Secretary of State's tweets yesterday afternoon heralding today's debate, one would have expected this to be an action-packed afternoon. One remembers the grand old Duke of York marching his troops up to the top of the hill and then down to the bottom, but the grand old Duke of York had 10,000 men. For most of this debate, apart from the wind-ups, the shadow Secretary of State has barely managed to get more than six Opposition Back Benchers here, which is fewer than the Government have had, so on that point I fear that he has failed.

Let me turn to some of the speeches that I had to listen to. It was a delight to hear the hon. Member for Easington (Grahame M. Morris) again, after a break from the Committee stage of the Health and Social Care Bill. Broken record his speech may have been—it was the same story—but it was worth listening to, even though the accuracy gained nothing in the telling.

My hon. Friend the Member for Kingswood (Chris Skidmore) made an excellent speech, as did my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter), who spoke fluently and knowledgably, on the basis of his intense and intimate experience of working in the NHS and his insights into the challenges we face in social care and improving the integration of care.

The hon. Member for Oldham East and Saddleworth (Debbie Abrahams) made an interesting contribution, although at times I began to think that she might be the only person who believed what she was saying. None the less, it was interesting.

The hon. Member for Ealing North (Stephen Pound)—as always, a jokester in our midst—put forward a serious message in a jocular way. From my experience of the NHS, both personal and professional, however, I felt that a lot of what he said bore little relation to reality. I can assure him that Government Members share the core principles of the NHS. I was also interested to hear the comments of my hon. Friend the Member for Stafford (Jeremy Lefroy). Anyone who represents that part of the country will have a deep understanding of the problems, as well as the successes, of the local health service. He was right in what he said about the future of accident and emergency services and about the critical issue of training.

I am saddened by the fact that the Opposition have once again shown themselves to be more interested in trying to revive their own political fortunes than in improving the outcomes of patients. Once again, they prefer to scaremonger and blindly attack, rather than put forward any policies of their own. They have been a policy-free zone in this debate. Once again, they reveal themselves to be on the back foot when it comes to securing the future of the NHS, as well as wrong-headed.

The Opposition claim that the Government are cutting NHS spending, which is not only nonsense but outrageous. Surprisingly, only last summer, the right hon. Member for Leigh said—this has been quoted before, but I will repeat it—that it would be

"irresponsible to increase NHS spending in real terms".

Ironically, that is not a view that I share. I fundamental disagree with it, because I believe that we should increase the funding of the NHS in real terms. *[Interruption.]* I do not care how much the right hon. Gentleman says it; if he looks at the—

Andy Burnham: Will the Minister give way?

Mr Burns: I will in one minute, just to disprove what the hon. Member for Leicester West (Liz Kendall) says.

If the right hon. Gentleman does not want to believe what I say, he can look at the chart produced by the Wales Audit Office, an independent body, which shows,

if one cares to read it, real-terms spending increases in each year in the English NHS. Ironically, it also shows such increases in Northern Ireland and Scotland, but if we look at the red parts of the chart, we can see that there are certainly no increases in Labour-controlled Wales.

Andy Burnham *rose—*

Mr Burns: I will give way once, briefly, then I must make progress, because I have only eight minutes.

Andy Burnham: The Minister says that the Government are providing real-terms increases, but he does not take into account inflation or the £1 billion transfer to social care. Will he accept the figures that I have here? They are the total departmental expenditure limits published by the Treasury in July 2011. They show that, in 2009-10, £102 billion was spent on the NHS. The figure for 2010-11 was £101 billion. I invite him to tell me that those figures are not correct.

Mr Burns: The right hon. Gentleman told us that, when he was Chief Secretary to the Treasury, he understood figures, so he will understand, as I do, that "real terms" means an increase over and above inflation—

Andy Burnham *rose—*

Mr Burns: One minute. The right hon. Gentleman wants a reply, so he must hold his horses.

It is the gross domestic product deflator that determines how one increases in real terms the funding of the NHS. The right hon. Gentleman has once again scored an own goal in reading out those figures, because they are based on the Labour Government's spending for the year in which they were leaving power.

Andy Burnham: Will the Minister give way?

Mr Burns: No, I said that I would give way once. I must now make progress.

We are increasing funding for the NHS in real terms over this Parliament, and stripping out unnecessary bureaucracy to focus precious resources on the front line and not the back office. So in place of management-led primary care trusts and strategic health authorities, we are introducing clinically led clinical commissioning groups, to put money and power in the hands of front-line doctors and nurses. That is why we are driving through the plans to make the NHS more efficient by focusing on prevention, on innovation, on productivity and on driving up the quality of care. A fact that Labour Members appear rapidly to have forgotten is that better care is very often less expensive care, and less expensive care means there is more money to spend on the health service.

Liz Kendall *rose—*

Mr Barron *rose—*

Mr Burns: I am not giving way, as I have only five minutes left.

Across the country, local health services are coming together to redesign services, thinking creatively to give patients better treatment and very often also making significant cost savings.

Mr Barron: Will the Minister give way?

Mr Burns: In Torbay, for example, by enhancing the role of the discharge co-ordinator across health and social care, the average length of stay in hospital has been cut by more than 10%, freeing up nurses to spend more time on patient care.

Mr Barron *rose—*

Mr Burns: In Yorkshire and the Humber, the ambulance service gives PCTs a monthly list of their top 10 most frequent callers. These people are then given intensive personalised help, including the use of modern telemedicine to monitor their vital signs. The result is better care for patients as well as—

Mr Barron: On a point of order, Mr Deputy Speaker. As you know, I took part in this debate and I asked the Minister a question and requested him to answer it in his winding-up speech. Yet he will not even acknowledge that I spoke in the debate. Is there anything you can do, Mr Deputy Speaker, to help Back Benchers keep the Executive in check?

Mr Deputy Speaker (Mr Nigel Evans): Absolutely nothing. I am sure, however, that the Minister will have heard the point.

Mr Burns: Did I hear the right hon. Gentleman's point, Mr Deputy Speaker? I heard it about three times in Committee and I heard it on Report; I replied each time, as well as writing to the right hon. Gentleman. He does not like the answer, so there is no point in taking the intervention again.

As I was saying, in Yorkshire and the Humber the ambulance service gives PCTs—*[Interruption.]* I know I have already said it, but there was so much disruption and noise that Labour Members did not hear it. In Yorkshire and the Humber, the ambulance service gives PCTs a monthly list of their top 10 most frequent callers so that they can talk to them and help them in future, saving money and staff time that can be concentrated elsewhere.

Mr Barron *rose—*

Liz Kendall *rose—*

Mr Burns: The result is better care for patients and, for this group, a 80% fall in unplanned admissions, a 20% reduction in bed days and a halving of ambulance journeys. That means better care for patients and better value for the taxpayer.

Liz Kendall: Will the Minister give way?

Mr Burns: Just as Labour Members are wrong about NHS funding, they are also wrong about the Bill. *[Interruption.]* The Bill focuses on the most important thing for patients—the outcome of the treatment they need either to cure them or to stabilise their long-term conditions. Doctors, nurses and other health care professionals—*[Interruption.]*

Mr Deputy Speaker (Mr Nigel Evans): Order. I am finding it difficult to hear the Minister. *[Interruption.]* Order. He has made it quite clear that he is not giving way.

[Mr Deputy Speaker]

Mr Burns: Doctors, nurses and other health care professionals are being empowered to take decisions and to design the innovative, integrated services that will best serve the interests of their patients, with a resolute focus on outcomes. The NHS outcomes framework, and the growing number of National Institute for Health and Clinical Excellence quality standards will mean that patients and clinicians will be able to see clearly just how good individual providers—even individual consultant teams—are performing and then demand the treatment that they deserve.

In the short time since this Government have been elected, care for patients has improved significantly in many areas. For example, MRSA down; C. difficile, down; mixed-sex accommodation, massively down; more doctors, fewer managers; more patients with an NHS dentist; more cancer screening; the cancer drugs fund; the new 111 urgent care service; more money; less bureaucracy; and a far brighter future for the national health service. The motion before us is devoid of reality and it was backed up by a number of speeches that were divorced from the real world. Its claims are false, its premises unsound. For those reasons, I urge the House to reject it.

Question put.

The House divided: Ayes 228, Noes 307.

Division No. 377] [3.59 pm

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hermon, Lady
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan

Watts, Mr Dave
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Jonathan Ashworth and Chris Ruane

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Field, Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lefroy, Jeremy
Leigh, Mr Edward
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Luff, Peter
Lumley, Karen
Macleod, Mary
Maynard, Paul
McCartney, Jason
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew

Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Bill Wiggin and
Mr Shailesh Vara

Question accordingly negatived.

Mr Speaker: We come to the next matter to be debated on this Opposition day, namely the Government's record on environmental protection and green growth.

Steve Rotheram (Liverpool, Walton) (Lab): On a point of order, Mr Speaker.

Mr Speaker: Who could neglect the hon. Member for Liverpool, Walton (Steve Rotheram)? We will deal with his point of order first.

Steve Rotheram: On a point of order, Mr Speaker. I should like some clarification from you because I do not know the answer to this question. When two of my constituents went through the Cromwell Green security check area, they were searched and photographed, obviously, but then a piece of paper they had with them—a pensions petition signed by the staff of Four Oaks primary school—was taken from them. When they asked why, they were told it was a security risk. Can you clarify what might have been meant by a piece of paper being a security risk? Were staff frightened that somebody might get a paper cut?

Mr Speaker: I am grateful to the hon. Gentleman for his point of order and for having given advance notice of his intention to raise it. I have a fertile imagination but it is stretched to the limits by an attempt to discover what on earth could be the problem here. The hon. Gentleman and others will know that some items are considered out of order for bringing into the House, but I cannot imagine why this would fall into that category. I think it only right to say that I will have a conversation and look into the matter. I know that the staff of the House always do their best, but my instant reaction is that I cannot imagine why it should have caused offence. Moreover, I cannot, off the top of my head, credit the idea that constituents of the hon. Gentleman's coming to the House would cause offence.

Environmental Protection and Green Growth

4.16 pm

Mary Creagh (Wakefield) (Lab): I beg to move,

That this House believes that the UK risks being left behind in its attempts to attract global investment in environmental technologies; agrees with the British Retail Consortium that the recent Waste Review is a disappointment; further agrees with the Nature Check report by 29 environmental charities that the Government has failed to deliver its environmental goals; condemns the Government's 27 per cent. cut in flood defence investment from £354 million to £259 million a year; calls on the Government to adopt Labour's five point plan for jobs and growth and bring forward spending on rural infrastructure projects for flood defences and rural broadband; further calls on the Government to raise the UK recycling target to 70 per cent. by 2025 to create an additional 50,000 jobs; and believes the Government should ensure mandatory carbon emissions reporting for all large UK companies to kick-start green jobs and growth.

May I begin by expressing Opposition Members' regret that the Environment Secretary is unable to join us for the debate? I understand she is giving evidence to the Select Committee on Environment, Food and Rural Affairs, but it is a very short walk from the Grimond room in Portcullis House to the Chamber and I hope that we have the opportunity to debate these issues with her at a future date. I would certainly look forward to that.

Dr Thérèse Coffey (Suffolk Coastal) (Con): Will the hon. Lady give way?

Mary Creagh: I have not even started yet.

Dr Coffey: My understanding is that the motion was tabled only last night, so the Government would have known only today that the attendance of the Secretary of State might be wanted, whereas her arrangements with the Select Committee were made some time ago.

Mary Creagh: It is at the Minister's discretion whether she appears in the Chamber. She could have been informed this morning about an urgent question and would have had to appear before the House. The motion was tabled last night at about 5 o'clock, so she has had almost 24 hours to prepare her speech. I am sure that the Under-Secretary, the hon. Member for Newbury (Richard Benyon), has been beavering away on his remarks.

Let me start by taking the House back to 2006 and a fresh-faced Leader of the then Opposition visiting the Arctic circle. We all remember the Prime Minister hugging a husky, as well as "Vote blue, go green". The Tory manifesto told us,

"That is why we have put green issues back at the heart of our politics and that is why they will be at the heart of our government."

Several megatonnes of carbon dioxide and hot air were emitted by a variety of Conservative MPs confessing their green damascene conversion. In opposition, going green was an essential part of detoxifying the Tory brand, but in the 18 short months that the Government have been in power we have seen progress stall on the environment. As their disastrous economic policies take hold, with confidence failing, unemployment and inflation rising and growth flatlining, the green talk has not been matched by green action.

The Department for Environment, Food and Rural Affairs has had a disastrous settlement in the comprehensive spending review—the second-biggest spending cut of any Department—taking £2 billion in cash out of the environment over the next four years. The Secretary of State was bounced into a disastrous plan to raise £100 million by selling England's forests, and we await the review of the Bishop of Liverpool, Bishop James Jones. *[Interruption.]* I am glad to see that the parliamentary private secretary is distributing lines to take from the Government. It is always good to see the briefing machine in action. We hope the brief has been printed on Forest Stewardship Council paper.

The Government have abolished the Sustainable Development Commission, the Government's watchdog on sustainable development.

Kelvin Hopkins (Luton North) (Lab): Would not the Government do better to try to close the tax gap and stop people hiding their money in foreign accounts, rather than cutting valuable budgets?

Mary Creagh: Yes, I agree, and I know that the Government are working to close tax loopholes, as we did in government.

DEFRA published its "Mainstreaming sustainable development" strategy in February—just seven pages to cut across the whole of Government. Its sustainable development programme board has not met since December last year and the sustainable development policy working group has not met since November. We got those answers in June 2011, so we can see that sustainable development is clearly no longer at the heart of the Department for Environment, Food and Rural Affairs.

What does this add up to? The Government have a plan for cuts but no plan for the environment, yet at the Tory conference the Environment Secretary told her colleagues:

"I passionately believe going green is both a moral and economic imperative."

The very next day the Chancellor told the conference:

"We're going to cut our carbon emissions no slower but also no faster than our fellow countries in Europe."

It was the day the husky died. The greenest Government ever were not even the greenest Government in 2010.

Our Labour Government were the greenest Government, and I pay tribute to my right hon. Friend the Member for Leeds Central (Hilary Benn). I pay tribute also to my hon. Friend the Member for Ogmore (Huw Irranca-Davies), who makes a welcome return to our team, for the progress that he made on the environment when he was a Minister.

David Mowat (Warrington South) (Con): I note the comment, "Our Labour Government were the greenest Government". We were 25th out of the 27 countries in the EU for renewables production in 2009-10. Is that what the hon. Lady means by "the greenest Government"?

Mary Creagh: We on the Labour Benches have always protected the environment, whether by setting up the national parks or introducing the Marine and Coastal Access Act 2009 and the Climate Change Act 2008. These show our green leadership. Will the Chancellor's comments and the spat with the Secretary of State for Energy and Climate Change enhance or reduce our leadership on these issues in Europe?

Caroline Lucas (Brighton, Pavilion) (Green): Does the hon. Lady think a little humility might be in order, given that when we take into account the UK's share of international aviation and shipping emissions, under Labour's three terms of office, greenhouse gas emissions rose, rather than fell?

Mary Creagh: A little humility might be in order for the hon. Lady, who ignores the fact that we were the first Government in the world to legislate for binding emissions targets.

David Mowat *rose—*

Mary Creagh: I shall make a little progress and I will give way again.

Today we see open warfare breaking out between Government Departments over mixed messages to UK plc, with the headline in *The Independent*, "Osborne's anti-green agenda splits Coalition" and today the speech from the Secretary of State for Energy and Climate Change and snub to the Chancellor to cheers from a business audience. The only people who benefit from such Cabinet warfare are the climate sceptics at the Treasury and the Cabinet Office, who want us to do less.

Our motion today expresses our concern at this internecine warfare and proposes three steps that the Department can take now to restore business confidence in the green agenda: bringing forward infrastructure spending on flood defence and broadband, as suggested in Labour's five-point plan for growth; committing to mandatory carbon reporting to stimulate green innovation; and higher waste targets to drive private sector job creation. I shall address each of those in turn.

Harriett Baldwin (West Worcestershire) (Con): I represent a flood-hit constituency in the Severn valley. We had serious floods in 1998, 2000 and 2007. Since May 2010, Pershore, Powick, Uckinghall, Kempsey and two schemes in Upton-upon-Severn have been started or completed, compared with the record under the hon. Lady's Government, where we got one scheme in 13 years.

Mary Creagh: That is an honourable intervention from the hon. Lady. I think it was *The Guardian* that reported that around 500 flood defence schemes are currently in abeyance. I am keen to hear from the Minister about the future of those schemes.

In the last two years of the Labour Government, spending on flood defences rose by 33%. We know that flooding and other extreme weather events are likely to increase with global warming. We saw only yesterday the devastation that floods can cause, and I know that the thoughts of the whole House will be with the families of the angler who was swept into the sea at Redcar and the two people who died in Ireland. We saw the heartache and the huge cost of flooding in Cornwall and Cumbria in 2009 and in Yorkshire and Gloucestershire in 2007. In this country 5 million homes are at risk from flooding.

In opposition, the Prime Minister called for extra funding for the flood defences budget—hear, hear. Under Labour the budget rose, but the Under-Secretary has cut spending on this essential part of our infrastructure from £354 million in 2010 to just £259 million this year and every year until 2015, which is a 27% cut. Nearly £500 million has been taken out of flood defences.

[Mary Creagh]

Communities at risk from flooding need a strong advocate arguing their case at the heart of Government. The Environment Agency tells us that the cost-benefit ratio of all flood defence schemes means that for every £1 we put in we get £8 back. That is money saved on public safety by the Home Office, on lost hours in the NHS, on disruption to transport and on the cost to the Department for Communities and Local Government of clean-up and re-housing people.

The Environment Agency has told us that many of the flood schemes have been deferred indefinitely, but the Minister says that they have merely been postponed, so we hope that he will clarify that today. We call on him to bring forward the planned flood defence investment to create the private sector construction and engineering employment that the country needs and to ensure that towns and cities that need flood protection get it as soon as possible.

Diana Johnson (Kingston upon Hull North) (Lab): Will my hon. Friend say something about the effect of the cuts in flood defences? Constituents in areas that have been flooded are having difficulty in obtaining insurance. With the statement of principles running out in 2013, what will be the effects of that?

Mary Creagh: My hon. Friend, as usual, makes an excellent point. She has spoken eloquently and at length about the flood insurance deserts that have resulted from the chilling effect of the cuts. One of the key recommendations of the Pitt review, which followed the 2007 floods and affected my constituency of Wakefield, was that flood defence spending should rise by more than inflation every year. With inflation at 5%, that would mean an increase of more than 5% this year.

Rory Stewart (Penrith and The Border) (Con): This is not a party political question. The Scots argue strongly that one of the best ways to deal with flooding is not to allow construction on flood plains. Will the shadow Minister acknowledge that one of the real errors of the past 15 years has been our construction policy, rather than the amount of money put into flood defences?

Mary Creagh: I thank the hon. Gentleman for that question, but I did not hear him thank us for the flood defences that were put in place in Cumbria following the terrible floods there.

Rory Stewart: Thank you.

Mary Creagh: It was our pleasure. I know that Carlisle also suffered terribly. We cannot stop all development. The Thames Gateway development is happening on areas that are also potentially flood plains, but we must ensure that there is a joined-up strategy across Government and that the Department for Communities and Local Government, the Treasury and the Home Office look at the real costs of flooding. At the moment insurers pay out, but it is not in their interests to stop flood events, because ultimately it is the reinsurers who pay the costs. We need to drill down and get a true account from across Government of the costs of flood events.

Neil Carmichael (Stroud) (Con): Apart from the fact that we have £2.1 billion prepared for flood defences, does the hon. Lady agree that it is quite right that in my constituency, which was affected by the floods to which she referred, proper consultation is going on with the Environment Agency to deal with the Severn estuary and that a timely imposition of action is much better than something that is rushed? Furthermore, does that not show the importance of localism in such considerations?

Mary Creagh: It is clear that localism is absolutely vital and local communities should be able to have a say on developments in their area, but I am not clear how that links in with the Government's national planning policy framework, which has undefined "sustainable development" at its heart. No one can say what "sustainable development" is.

Andrew George (St Ives) (LD): I am not sure whether I should thank the hon. Lady personally for any flood defences that have been built in my constituency over the past 13 years, but I will certainly do so if it allows me to continue my intervention, which expands on the point that the hon. Member for Penrith and The Border (Rory Stewart) made. Do Labour Members agree that we need to tighten planning policy, particularly in relation to empowering the Environment Agency and giving it a veto in areas of flood risk and on flood plains?

Mary Creagh: We cannot allow all development to be killed off, but I agree that there is no point building and selling homes that are not sustainable, and that will be uninsurable, un-mortgageable and unfit for human habitation if they are hit by successive flood events.

Geraint Davies (Swansea West) (Lab/Co-op): With a reduction in the flood defence budget to pre-Pitt levels, does my hon. Friend agree that, in getting the deficit down, there is confusion between revenue spending and capital investment? Surely, capital investment means building up assets to protect people's homes and businesses, but all the Government are doing is playing Russian roulette with people's lives and futures.

Mary Creagh: That is a very good point, and there is also a direct impact on construction and engineering jobs, which are flatlining. For the record, by the way, may I make it clear that I was not requesting any personal thanks? All thanks should be directed to my hon. Friend the Member for Ogmore, who is sitting next to me.

Labour is the party of jobs and growth not just in cities, but in towns and villages throughout this great country of ours. We are standing up for fairness in the countryside, as yesterday's debate about the Agricultural Wages Board showed.

Tony Cunningham (Workington) (Lab): My hon. Friend mentioned Carlisle. The terrible floods that occurred in my constituency in 2009 created havoc and devastation, and led to the loss of life of a very brave police officer. Carlisle, on whose flood defences £30 million had been spent, was not flooded, but the estimate of the damage that would have occurred without those defences is between £70-odd million and £80 million. Surely, these cuts are only short-term savings.

Mary Creagh: I pay tribute to my hon. Friend. I read in *Hansard* the debates he had last year on the issue. The floods were devastating, and he played a huge leadership role in his community, bringing it together in the very difficult months that followed, when without a bridge it was split by the river.

We want strong rural communities where rural businesses can sell their goods and services direct and file their accounts over the internet, and where families have the same opportunities as people in towns and cities. In government, Labour promised universal rural broadband by 2012 and universal high-speed broadband by 2015, yet this Government have said that universal broadband will come only in 2015, and only as long as cash-strapped councils, which have also seen their budgets cut by one third, stump up half the money.

Broadband is essential if we are to tackle the social and financial exclusion that many in the countryside face. Speeding up rural broadband should not be part of a plan B; it should have been in the Government's plan A. So, we call on them to speed up spending on this 21st century infrastructure in order to stimulate growth and private sector jobs in rural economies.

Let me turn to carbon reporting. In January 2010, several Tory and Lib Dem Members wrote to Labour's then Business Secretary, calling for mandatory carbon reporting. They included the current Deputy Prime Minister, the Minister of State, Department of Energy and Climate Change, the hon. Member for Bexhill and Battle (Gregory Barker), and the hon. Members for Lewes (Norman Baker), for East Worthing and Shoreham (Tim Loughton) and for Kingston and Surbiton (Mr Davey)—all now Ministers. In that letter, they said:

"There will be further economic benefits, accelerating the development of the low carbon economy and giving the City the backing it needs to become the world leader in carbon accounting and reporting."

What a difference two years make.

Sammy Wilson (East Antrim) (DUP): I know that the Labour party has an obsession with carbon emissions, and indeed the Climate Change Act 2008 was evidence of that, but the motion is about job creation. Carbon reduction has led to an increase in consumer and business electricity prices, and to energy-intensive industries relocating outside the United Kingdom, with the British Air Transport Association saying only last week, "If we continue down this road it will affect the aviation industry's competitiveness," so will the hon. Lady explain how that fits with job creation?

Mary Creagh: It is not a matter of either/or. Unlike the Government, far-sighted companies have realised that reporting environmental impact helps them to reduce their costs, to improve their production processes, and drives innovation in products and services. That is where we were a leader in the green economy.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Does my hon. Friend share my concern and frustration that, on carbon reporting, proposals to display energy certificates were made in the Energy Bill Committee? That was called for by many large companies that want reporting of carbon emissions. We were frustrated because, despite saying before they came to government that they supported such a measure, Government Members did not do so in Committee, even though the proposal came from a Conservative Member, who had then to vote against it when we pressed it to a Division.

Mary Creagh: What a sorry tale. Again, the power of the Whips is demonstrated, even in Committee. That shows the collective amnesia on green issues that both parties in government are demonstrating.

David Mowat: Does the hon. Lady believe that if we had had more carbon reporting in the past 13 years we would now be higher than 25th of the 27 EU countries in terms of renewables? For the avoidance of doubt, and so that the House is aware, the two countries that we were ahead of in renewables in 2010 were Malta and Luxembourg.

Mary Creagh: We have leadership in offshore wind, and that was restated by the Secretary of State for Energy and Climate Change today. I was at a business breakfast meeting with representatives of several large manufacturers of regeneration technology, and they said that the most important thing they want from the Government is certainty. I am not sure that climate change was at the top of our agenda 13 years ago, but we have realised over time that it is already factored in and that we will have changing climate over the next 50 years, so we must do something now if we are to preserve and conserve the earth's resources. We have only one planet.

David Mowat: I agree with everything that the shadow Secretary of State has said, but I am concerned that after 13 years of the previous Government we were 25th of 27 countries, beating only Malta and Luxembourg.

Mary Creagh: When we were in government, we invested £60 million to allow wind turbine manufacturers to invest in our ports.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): My hon. Friend should ignore the campaign against having an environmental agenda, because it is not against business. The Secretary of State for Business, Innovation and Skills visited David Brown Gear Systems in Huddersfield—I am the Member of Parliament for Huddersfield, although many people from Colne Valley also work there. We are now specialising in offshore wind power, which is providing jobs and high technology. There is real money in the environment, but the Government are retreating from their green agenda.

Mary Creagh: I could not agree more with my hon. Friend.

I must tell the hon. Member for East Antrim (Sammy Wilson) that a green company in my constituency, Logicor, manufactures a product called a green plug, and has business angel backing to roll it out nationally and internationally. The plug fits to an iron or other appliance, and automatically turns it off after 15 or 20 minutes if someone leaves the room and forgets to do so. It has been shown that that can reduce carbon emissions in the home by about 50%. The company's research demonstrated that what we all fail to switch off most often is our computer printer. I share that with the House and the nation for those who wish do their bit on climate change.

Bill Esterson (Sefton Central) (Lab): There is an opportunity to promote jobs and growth in the green sector by cutting the rate of VAT to 5%. As my hon. Friend will be aware, there are several anomalies in this area. For example, installing heating controls attract a reduced rate of 5%, but replacing an old boiler with a modern, energy-efficient one does not. This is surely an opportunity to boost the economy and small business.

Mary Creagh: Indeed. Our proposal to reduce VAT to 5% on people's improvements to their homes in making them more heat and energy-efficient is absolutely part of this agenda.

Luciana Berger: I am not sure where the hon. Member for Warrington South (David Mowat) got his figures from. Every year, Pew Environment Group brings out a report that measures countries' investment in clean tech and renewables. It shows that in 2009, under a Labour Government, we were fifth in the world, and in one year alone, we have dropped to 13th—the largest drop of any G20 country, by 70%—as a result of the policy uncertainty under this Government and the lack of investment forthcoming. Does my hon. Friend share my concern about that drop and how it might impact?

Mary Creagh: I certainly do; once again, my hon. Friend is absolutely right. Uncertainty is the thing that business likes least, but unfortunately uncertainty is what they are getting, in bucketfuls.

David Mowat *rose—*

Mary Creagh: I give way to the hon. Gentleman for absolutely the last time.

David Mowat: The shadow Minister is very generous and I thank her for giving way for absolutely the last time. I got my figures from an EU website, so they are in the public domain. We are 25th out of 27, the two countries that we beat are Malta and Luxembourg, and that is a matter of public record.

Mary Creagh: I am delighted that the hon. Gentleman has been reading the useful publications from the European Union. I do not know which way he voted on Monday, but I am sure that that will be noted by the Whips. *[Interruption.]* Well, he is using the European Union to back up his argument, and that is very good news.

Joan Ruddock (Lewisham, Deptford) (Lab): Does my hon. Friend remember, as I do, the amount of opposition from Tories and Lib Dems to all applications for wind farms in their areas? Our Government would have made much greater progress—I can say that as a Minister who was there at the time—had it not been for such opposition to developing renewables.

Mary Creagh: I pay tribute to my right hon. Friend's role in government. Obviously, the decisions that we made in government paved the way for Mitsubishi and Siemens to think about relocating here. We do not want to drive energy-intensive industries or jobs overseas, because in many cases such industries are contributing directly to green development—for example, the steel that is pressed for offshore wind turbines that are manufactured in the UK. Companies in these industries want transparency so that there is a level playing field, showcasing the best and exchanging knowledge so that they can reduce their costs and their environmental impact. We pay tribute to the companies that have already done that work.

David Wright (Telford) (Lab): I represent the seat that holds the birthplace of industry, and, some would therefore argue, the birthplace of global warming. These things are probably best done locally. Some local authorities have incredibly good partnerships with businesses. My hon. Friend will be aware that Ricoh, the technology company, has its European headquarters in my constituency. It is a fairly energy-intensive company, but it puts over 90% of its waste product back into the industrial process, internally or with partners. That is an example of where an energy-intensive business can do a lot for the environment as well.

Mary Creagh: I pay tribute to my hon. Friend for that contribution. I agree that it is very important that these companies now look through the whole of their manufacturing processes. I will deal with the role of waste in a moment.

In July this year, the Aldersgate Group, a collection of charities with large companies such as BT, PepsiCo and Microsoft, commissioned a report that provided an independent analysis of the impact assessment produced by the Department for Environment, Food and Rural Affairs on mandatory carbon reporting. Taking just one of the options—option 3—Aldersgate found that DEFRA had overestimated the total costs by up to £4.6 billion and underestimated the benefits by £980 million. It said that DEFRA's impact assessment had ignored wider behavioural change, product and service innovation and other strategic advantages from carbon reporting. It also states that DEFRA underestimates the benefits to companies over time, because the DEFRA model assumes that once companies have reduced their emissions in year one, they will not reduce them again over the following nine years. As my hon. Friend the Member for Telford (David Wright) said, large companies such as Ricoh and Tata get very good consultants in every year to see how they can drive down their costs and environmental impact.

Mr Mark Spencer (Sherwood) (Con): I know that the hon. Lady will acknowledge that these are complicated issues. I want to turn her attention to the food industry. Under her Government, the amount of food that this country imported rose exponentially. The carbon footprint of importing food, for example beef from Brazil or asparagus from water-stressed Mexico, is enormous.

Mary Creagh: That is a very good point. I wonder whether the Minister will say something about Labour's "Food 2030" strategy, which looked at food security both nationally and internationally, on which the Department has been eloquently silent since the Government came to power.

To return to carbon reporting, I cannot help but wonder whether the Department is deliberately inflating costs and reducing benefits as part of a go-slow on these areas. We know that that go-slow is driven by the climate change sceptics at the Treasury and the Cabinet Office. When can we expect the results of the Department's consultations? What are the Minister's plans to help companies whose biggest environmental impact is not carbon-related, but water consumption, as in the case of the food industry, the amount of waste they send to landfill or the natural resources that they consume?

The Government can drive green innovation in the food industry, our largest manufacturing sector, by using public procurement as they are the UK's largest buyer. DEFRA is charged with overseeing the Government's buying standards on sustainable food. Recent figures show that just 11% of Department for Work and Pensions food is sourced to UK animal welfare standards. In today's *Farmers Weekly*, there is the extraordinary spectacle of a DEFRA Minister slamming his own Department for not meeting higher food standards, instead of standing up and taking responsibility for the poor performance. It was not like that when my hon. Friend the Member for Ogmore was in government. I suppose that he wanted to get his criticism in before mine today. That is no way to treat the nation's civil servants.

Waste is big business. The sector employs 142,000 people and has a turnover of £11 billion. There are companies that collect waste, treat it and turn it into new resources and energy for the nation, as in the case of Ricoh that was cited by my hon. Friend the Member for Telford.

Andrew Gwynne (Denton and Reddish) (Lab): I commend to my hon. Friend the partnership between the Labour-led Greater Manchester waste disposal authority and Viridor Laing, which has invested £630 million into new high-tech mechanical separation facilities, including one near the edge of my constituency in Bredbury in the seat of the Under-Secretary of State for Communities and Local Government, the hon. Member for Hazel Grove (Andrew Stunell). The partnership's aim is to compost 50% of waste and to reduce by 75% the waste that goes from Greater Manchester households to landfill.

Mary Creagh: I pay tribute to that scheme, because it has created certainty not just for the council, but for employment in the area and it will drive down the council's waste emissions. Biodegradable material decomposing in landfill generates 40% of the UK's methane emissions and 3% of the UK's greenhouse gas emissions. In government, Labour trebled household recycling from 11% to 40% with schemes such as that mentioned by my hon. Friend.

The Government's recent waste review was a missed opportunity to boost recycling and create new green jobs. It was overshadowed by the in-fighting over weekly bin collections between the Secretary of State for chicken tikka masala and the Secretary of State for Environment, Food and Rural Affairs.

Andrew George: Does the shadow Secretary of State accept that a weakness in the motion and in her waste policy is that they are based purely on measuring recycling levels? Surely it would be better to measure the success of policies such as those in the waste review using increases in waste, rather than in recycling, because it is theoretically possible for recycling and landfill to increase at the same time.

Mary Creagh: I am sure that would be a great idea in a perfect world, but we are living in the real world and need to comply with the EU waste framework directive so as not to incur huge EU infraction fines. I will come on to what that means.

The three devolved Governments have all adopted an ambitious target of 60% of waste being recycled by 2020, and Scotland and Wales are aiming for 70% by 2025. That leaves England with the weakest recycling target in the UK, which is the target for the UK as a whole to meet the bare legal European minimum of 50% by 2020. There is a bitter irony in that, because the more the devolved nations achieve, the less England will have to deliver to reach the UK target. House of Commons Library research conducted for my hon. Friend the Member for Copeland (Mr Reed) shows that if the devolved nations meet their targets, England will need to recycle only 47.6% of waste by 2020 to meet its target.

Last week I visited the Rexam can manufacturing plant in Wakefield. Rexam works continually to develop its environmental performance, focusing on objectives including reducing the consumption of resources—I think that was the point that the hon. Member for St Ives (Andrew George) was making. Over the past year, the plant has reduced its gas consumption by a quarter and its electricity consumption by 30%. The cans, which are ones that we all drink out of, such as Coca-Cola cans, are manufactured to a width of 97 microns, the width of two human hairs. That is another little fact that I can share with the House.

Kerry McCarthy (Bristol East) (Lab): Does my hon. Friend agree that supermarkets have a role to play in reducing waste, by reducing food packaging, by not encouraging people to throw away food on unrealistic sell-by dates, and by supporting projects such as FoodCycle, of which I have recently become a patron? That project takes unused food from supermarkets to community cafés and helps to feed people who would be unable to feed themselves. Does she agree that that is an absolutely brilliant project, and that supermarkets ought to be doing more to support it?

Mary Creagh: I do indeed, and I know that many of them are doing that. I have had a debate with the Co-operative about its naked cucumbers. *[Interruption.]* I pay tribute to charities that are working to recycle unwanted food.

Zac Goldsmith (Richmond Park) (Con): Will the hon. Lady give way?

Huw Irranca-Davies (Ogmore) (Lab): On naked cucumbers? *[Interruption.]*

Mr Speaker: Order. There is so much chuntering going on that I cannot hear about these naked cucumbers through all the noise.

Mary Creagh: I give way to the hon. Member for Richmond Park (Zac Goldsmith).

Zac Goldsmith: I thank the hon. Lady for giving way on the subject of inappropriate vegetables. I believe that up to 40% of fruit and veg is thrown away before it even reaches the shop. Does that not imply that the supermarkets should be doing a lot more to counter the perverse incentive on producers to provide superficially perfect but no more valuable produce? Should we not address that?

Mary Creagh: Supermarkets do encourage shoppers with deals that may not be as cheap as they first appear, such as buy one, get one free. However, people are now shopping much more carefully. We are hearing from supermarkets about the re-emergence of the cash shopper. People are coming in with a certain amount in their

[Mary Creagh]

purse or wallet to spend, and not going over their budget at all. They are being much more careful about what they buy and what they consume or throw away.

Of course, all food that is not consumed is a waste. It is a waste of water and of the carbon used in the logistics and transportation. However, there is some necessary food waste, such as apple peelings and banana skins, and we have to ensure that such waste is dealt with. Packaging businesses are taking action on the environment, so I feel the Government are really out of touch on the issue.

Last week, 29 environmental charities published their "Nature Check" report, which showed that the Government were meeting just two of the 16 coalition environmental targets. Across the country, people who voted blue have started to question the Government's environmental record. How can they abolish Labour's regional housing targets and then change the planning system so that councils are left in chaos and confusion and local communities are left out of the mix? How can a Government who have cut £2 billion from the environment budget deliver a better environment, and how can a Government who believe in a small state and are anti-regulation deliver environmental progress for people and our planet?

Next year we will celebrate the 20th anniversary of the Rio Earth summit, whose agreements were signed by the last Tory Government, and the 31st anniversary of the Wildlife and Countryside Act 1981. I hope that the louring figures of the Chancellor and the Minister for the Cabinet Office will not prevent the Department for Environment, Food and Rural Affairs from celebrating those landmark successes.

In Labour's vision for a green economy, value and growth will be maximised, and natural assets will be managed sustainably. It will be supported by a thriving low-carbon and environmental goods and services sector; environmental damage will be reduced; and a skilled work force will ensure that we innovate and keep our global competitive edge.

In the coming autumn statement, we need a comprehensive green growth strategy from the Chancellor. Governments around the world are attracting investment in environmental technologies and the UK economy risks being left behind, but I am afraid that he has sapped green business confidence in the UK as a leader in climate change technology. Once again, he has shown that he is out of touch with business and driven by dogma. I urge the House to support the Opposition motion.

4.55 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): May I thank the hon. Member for Wakefield (Mary Creagh) for tabling this motion? I could not have wanted a better form of words in order to extol the virtues of this Government and to point out the manifest failings of the previous one. If I had a better handle on the usual channels, as I think they are called, I might have got a member of the Backbench Business Committee to produce just such a motion, because it allows me to discuss some of the excellent things that we are doing to make this the greenest Government ever.

I start by apologising on behalf of the Secretary of State for the fact that she is not here. I know that many members of the Select Committee on Environment, Food and Rural Affairs would have liked to be here too. However, there is a courtesy, which the Secretary of State feels very strongly, which says that Select Committees are very important for holding Ministers to account. We took that view in opposition, and now we are in government we intend to ensure that we make ourselves available when Select Committees wish to question us at length.

With her customary generosity of spirit and her sunny nature, the hon. Member for Wakefield made a number of points about the Government, but perhaps failed to mention some of the good things. I hope she and the House will forgive me if I comment on the wording of the motion and on where we are moving forward. On environmental technologies, the hon. Lady did not feel the urge to mention the £3 billion that has been invested through the green investment bank, and she felt unable to talk about the vast amounts that that will generate in the private sector, or about the 26 million homes that will benefit from the green deal, which is the largest retrofit of infrastructure in our homes to benefit those on low incomes and make us a greener country.

The hon. Lady did not talk about the fourth carbon budget, which so many groups recognised and praised us for achieving, or about Ian Cheshire of the Kingfisher Group, who will be leading business opportunities for green growth. In this financial year alone, £1.7 billion has been invested in environmental technologies, creating 9,000 jobs all over the country.

Mr Graham Stuart (Beverley and Holderness) (Con): The Minister is acutely aware of how devastated east Yorkshire was by flooding in 2007. One of the most worrying aspects of the Labour party manifesto was a promise to cut capital spending by 50%. Will he assure us that flood protection will get the required investment, and that this Government are committed to flood protection in a way that the Labour party were not before the last election?

Richard Benyon: Before the election, the previous Chancellor announced that there would be a 50% cut in DEFRA's capital spend. If Labour had won that election, it might have said that it would not cut flood protection, but in that case, what would it have cut? The hon. Member for Wakefield used the tired old argument that if we are to compare apples with apples, we must compare this Government with the last two years of the previous one. However, in this four years, there is an 8% cut compared with the previous four years. Bearing in mind the cuts across the Government and the appalling legacy that we were left, we have made flooding an absolute priority.

Huw Irranca-Davies: I thank the Minister for giving way so early on. Will he correct the supposition of the hon. Member for Beverley and Holderness (Mr Stuart) that the previous Government said anything about cutting flood defence spending? We did not say that. I shall put that on the record again. The Minister is right that we would have to find the cuts somewhere, but we never indicated that they would come from flood defence, because of the impact that would have on people's businesses, homes and, potentially, lives.

Richard Benyon: The hon. Gentleman forgets that a 50% cut in capital spending has to come from somewhere. I entirely accept that he might have said there would have been no cut to flood defence spending if Labour had won the election, but nobody believes that it would have survived in its entirety.

Mary Creagh *rose—*

Richard Benyon: I shall make some progress, and then I shall certainly give way to the hon. Lady.

The hon. Lady talked about waste and recycling. It is reasonable for an Opposition to push a Government in certain directions, but they cannot just pluck a recycling target of 70% from the air, even though I would certainly aspire to such a target. However, recycling targets on their own are not a measure of how well a Government are doing. Instead, it is vital that we consider the matter in the round and that we push waste issues up the hierarchy. We cannot simply imagine a day when we could move to 70% recycling without getting the industry working properly with us to ensure that there are markets for recyclates and that we have an absolute plan, which is what we have done through our waste initiative.

Joan Ruddock: I remind the Minister that, in 2003, a private Member's Bill that I introduced and which became an Act, imposed on local authorities a mandatory duty to recycle at least two waste streams, with a deadline of December 2010. What action did he take on the small minority of local authorities that did not comply last year?

Richard Benyon: We absolutely want to meet the EU's waste reduction targets and the recycling targets, and we will certainly move towards 50%, but there are local factors to be considered.

Joan Ruddock *rose—*

Richard Benyon: I am trying to answer the right hon. Lady.

Local factors apply. These matters can, and should, be dealt with locally, and local councils should be held accountable when they fail. I shall come on to that in a minute.

Joan Ruddock: I wonder whether the Minister heard me correctly. The duty is mandatory. What has he done with the local authorities that did not meet that mandatory target?

Richard Benyon: I shall get back to the right hon. Lady. *[Interruption.]* I am sure she understands that this is not an area of my brief, but the responsibility of my noble Friend Lord Taylor. However, I shall certainly get an answer to the right hon. Lady's question.

Mary Creagh: I thank the Minister for giving way; he is being very generous. The five or six matters that he outlined at the beginning of his speech were not DEFRA issues; they come under the Department of Energy and Climate Change. I am glad that he has been joined by the Minister of State, Department of Energy and Climate Change, the hon. Member for Bexhill and Battle (Gregory Barker). Does he support his hon. Friend's proposal to introduce mandatory carbon reporting as soon as possible?

Richard Benyon: We are moving towards it, but I shall come on to that in a minute.

I am grateful to my hon. Friend the Member for Beverley and Holderness (Mr Stuart) for his intervention on flood defences. We are talking about an 8% reduction in spending. That is the fair comparison. I know that the hon. Member for Wakefield was being flippant, but it identifies a problem in her party—that people do not have to thank her or her hon. Friend the hon. Member for Ogmore (Huw Irranca-Davies) for money spent on flood defences. This is taxpayers' money, and it is vital that that taxpayers' money is spent in the best possible way. We want to ensure that, over the next few years, we spend taxpayers' money in the most effective way, because, as the hon. Lady correctly pointed out, we get a good return on taxpayers' money if it is spent in the right way.

Our new partnership funding scheme will see the taxpayers' pound going further. We are seeing efficiencies in the Environment Agency that mean that more houses and properties will be protected; and when we take our indicative list forward next year, I hope that many hon. Members' constituencies will benefit from new schemes with new partnership funding that will bring benefits to those communities.

Tony Cunningham: I am not going to make a party political point; I want to look forward rather than backwards. Will the hon. Gentleman visit my constituency? Next month is the second anniversary of the devastating floods. If he agrees to come, he will get some criticism about the maintenance of rivers and streams, and so on, but he will also see for himself some of the superb work that local people have done.

Richard Benyon: As the hon. Gentleman knows, I have huge respect for the leadership that he showed at the time of the floods and for the work that he has done since to push me and my Department in various ways to improve the resilience of that community against flooding. I would be delighted to visit. I would also like to consult him on the development work that we are doing to create new internal drainage boards in the area to deal with precisely the issues that he has raised. I hope that we can ensure better flood resilience in future.

Mary Creagh *rose—*

Richard Benyon: I will give way for the last time and then make some progress.

Mary Creagh: What I said was certainly not meant to sound arrogant; it was a debating point, made in jest to the hon. Member for Penrith and The Border (Rory Stewart), about the fact that his community had benefited from flood defences, yet he is now part of a Government who are cutting off those defences. Let me challenge the Minister again on the figures. He talks about an 8% cut to DEFRA spending, but can he name another area of Government accounting where spending has been calculated over the previous four years, instead of taking a baseline year which was the last year that Labour was in government? His figure of 8% is based on four years of previous spending compared with four years of future spending. No other Department is doing that; it is an example of funny DEFRA maths.

Richard Benyon: It is certainly not that; it is a sensible comparison. One cannot compare how the hon. Lady's party behaved in government in the months and years

[Richard Benyon]

preceding a general election with how it would behave now, when the Opposition have announced to the House how much they would have reduced spending. It is a tired old canard to keep up this talk about spending. She would be much better off looking forward and recognising that the new regime and policies that we are introducing will have a good effect.

The important point that the hon. Member for Kingston upon Hull North (Diana Johnson) made about insurance is something that exercises us greatly. We hope to make an announcement in the near future about how we will take forward the statement of principles after it concludes in 2013.

Andrew Selous (South West Bedfordshire) (Con): My hon. Friend mentioned the Environment Agency earlier. I wonder whether he shares my concern about its failure to take action in my constituency against the discharge of raw sewage into a local brook and on to farmland. It has instead suggested a policy of co-operation and education with the group responsible for that behaviour. Will he agree to take an interest in this matter and resolve it quickly so that proper environmental protection is ensured?

Richard Benyon: I shall certainly look at that situation in my hon. Friend's constituency. It is vital that we take action to clean up rivers. We have put £92 million more into the budget to try to improve the quality of the water in our rivers. Anybody who is polluting should be penalised, and that is what the Environment Agency is for.

Rory Stewart *rose—*

Richard Benyon: I will give way once more before making some progress.

Rory Stewart: In fact, we have not experienced capital cuts in Cumbria; rather, the Environment Agency is being considerably more flexible than it was six or nine months ago, responding to communities and clearing out gravel. The progress is good under the current Government; I would like to put that on the record.

Richard Benyon: I am grateful to my hon. Friend for making that point. The new partnership scheme will end the problem of communities failing, year after year, to get just above the line needed for their schemes to go ahead. There will now be clarity in the system, so that people can see exactly where they are on the scale and what needs to be geared up, by whatever means, for their scheme to get above the line.

May I express my admiration, in a perverse way, for the nerve of the hon. Member for Wakefield for mentioning the word "broadband" in the motion and in her speech? That is masterful chutzpah. I could ridicule her for it, but part of me secretly admires it from somebody in a party that did so little in government. This country was at the bottom of every conceivable league table, and the previous Government had a scheme that involved raising huge amounts of money from some kind of telephone tax that nobody thought would work. This Government have made the issue an absolute priority.

The hon. Lady is right to make broadband an issue in a green debate. Broadband allows people to work and learn from home, which reduces congestion. The Government also believe that this is a social inclusion issue, however. Broadband will assist people who are old, ill, mentally ill, out of work or on a low income, particularly those who live in remote communities, out of all proportion to any other factor in their lives. It is therefore absolutely right to include it in this debate, and I am very happy to talk about the investment that we are making, including the £530 million that is being spent through Broadband Delivery UK and the £20 million that has been geared up from DEFRA's funds for the hard-to-reach in our most rural communities, as well as the £150 million recently announced by the Chancellor to assist the roll-out of mobile 4G access, which can provide coverage for broadband on mobile phone networks. That is also very good news.

The hon. Lady also made some interesting points about the five-point plan for growth and jobs, but it would simply add to the scale of debt. How can we deal with the debt problem by adding to it? Nothing should add to our debt. The shadow Chancellor's five-point plan would not be a way of gearing up jobs and growth in the green economy or in any other. As in so many areas, Labour Members have absolutely no credibility when they talk about the economy.

Kelvin Hopkins: Spending more, particularly in labour-intensive areas such as those we are debating today, would generate far more, through the multiplier effect, than the original investment, which we would get back through taxation.

Richard Benyon: I do not want to get into a long economic debate, but the hon. Gentleman is right in one sense. Green growth, if we do it right, could create jobs. I am afraid that I do not agree with the suggestion by the hon. Member for East Antrim (Sammy Wilson) that this is an entirely binary issue involving either growth or the environment. The Government firmly believe that the two go together, and our policies reflect that.

The Government have an ambitious programme to protect and enhance our natural environment. Given the unprecedented financial difficulties, we cannot simply pull the financial levers to deliver change. Instead, we are committed to leading by example, being the greenest Government ever, mainstreaming sustainable development and enabling the value of the natural environment and biodiversity to be reflected when decisions are made. In the past 17 months, we have made good progress. We have a strong track record of environmental leadership, at home and internationally. We have published the national eco-system assessment, the first analysis of the benefits that the UK's natural environment provides to society and to our continuing economic prosperity. This is ground-breaking research from over 500 UK scientists and economists, and the UK is the world leader in this regard.

Mr Graham Stuart: Does the Minister foresee a time when natural capital will form part of the national accounts in the same way that other capital assets now do?

Richard Benyon: My hon. Friend is prescient; I am about to come to that point.

We have published the cross-government natural environment White Paper, the first in 20 years. It seeks to put the value of nature at the heart of our decision making in Government, local communities and businesses, properly valuing the economic and social benefits of a healthy natural environment while continuing to recognise nature's intrinsic value. It set out 92 commitments, and we published an update on progress earlier this month. This has made us a world leader in this field.

Kerry McCarthy: The Minister has just mentioned the natural environment White Paper. What does he think of the criticism of the White Paper, and of the "England Biodiversity Strategy: Biodiversity 2020", by the Royal Society for the Protection of Birds, which stated recently that

"both are singularly lacking in implementation plans",

and that

"we need more than fine words, we need a clear delivery plan and we need it soon"?

Are the Government not simply giving us more greenwash, to give the impression that they are the greenest Government ever?

Richard Benyon: I think the hon. Lady shows a churlishness that is not in her character. She is usually among the most generous of Members. May I suggest that she looks at the natural environment White Paper and its 92 commitments and understands how we are valuing nature as part of how government works. I am happy to quote the recent remarks of the Chancellor who said:

"we need to know what the problem is before we can set about finding a solution. Better and fuller information is a crucial...step towards promoting environmental sustainability."

He was talking about accounting for sustainability, and getting natural capital hardwired into Government at every level has been a crucial part of taking forward this work through the natural environment White Paper, which I commend to hon. Members.

Andrew George: May I interpret the last intervention as a constructive contribution, indicating that the Labour party wishes to engage with the issue of biodiversity? Biodiversity standards fell during the 13 years of the last Government. All the parties need to work on the biodiversity strategy and, indeed, on the natural environment White Paper and attempt to improve those standards. That is what I believe all the parties should be doing in the forthcoming year.

Richard Benyon: I am grateful to my hon. Friend. Let me say with absolute clarity that we want to reverse the decline of biodiversity in this country, not just because we value nature in its esoteric sense, but because we value it in its economic sense as well. My right hon. Friend the Secretary of State and I are working with organisations like the RSPB and many others to try to ensure that the strategies we have brought forward are effective and workable. The indicators suggest that, with the right commitment, we can achieve this.

Zac Goldsmith *rose—*

Mr Sheerman *rose—*

Richard Benyon: I have promised my hon. Friend the Member for Richmond Park (Zac Goldsmith), but if he will forgive me, I will give way first to the hon. Member for Huddersfield (Mr Sheerman).

Mr Sheerman: The Minister will know that Members of all parties care very much about the environment. I know we sometimes play games of point scoring, but one thing that the Minister should be very cautious about today is mentioning the name of the Chancellor. Members of all parties are worried about his recent remarks, as he seems to be undermining the green agenda that many of us thought was refreshing. The Minister, not us, brought up the point about the Chancellor.

Richard Benyon: I urge the hon. Gentleman, whom I respect on this subject, to look at exactly what the Chancellor is doing. He should look at the £3 billion that the Treasury has invested in the green investment bank and at the commitment we have made on a whole range of other issues. I can assure him that if he did, his concerns would be allayed.

Zac Goldsmith: Learning how to value ecosystems is a prerequisite for tackling the loss of biodiversity and the environmental crisis generally. I am not often accused by colleagues of sycophancy, but I do want to say that the work in the natural environment White Paper puts us ahead of almost any other country in the world. It is work that should be absolutely commended and celebrated across the board.

Richard Benyon: I am very grateful to my hon. Friend, and I hope that Labour Members were listening to what he said.

Gavin Shuker (Luton South) (Lab/Co-op) *rose—*

Richard Benyon: I will give way, but then I want to make some progress.

Gavin Shuker: The Minister is extremely generous in allowing interventions. I was initially trying to be well behaved and not to intervene on him, but I would like to echo the comment that the natural environment White Paper is fine in and of itself. There will be consensus about biodiversity—an issue about which I believe the Minister feels strongly—across the House. The key issue, however, is resource. There are many environmental and local groups applying to get funding to do the things that are set out in the White Paper, but only £7.5 million has been put behind it.

Richard Benyon: The hon. Gentleman is talking about our nature improvement areas, and I would be happy to talk further to him about them and about the level of our ambition, which exceeds that of the previous Government. There is no money left, as someone once said when he left a note in a desk. I have to remind the hon. Gentleman of that, but we have made biodiversity and reversing its decline an absolute priority—both for this Department and the Government.

Sammy Wilson: Will the Minister give way?

Richard Benyon: I am sorry, but I really must make some progress.

We will shortly publish our White Paper on water, which will set out how we want to reform the water industry and address the need for resilience to drought and climate change. A few weeks ago I stood on the bed of the River Kennet, which was as dry as the carpet in the Chamber. It is one of the "rivers on the edge" identified by the World Wildlife fund and is one of the most precious ecosystems in the south of England, although there are many more. Many Members represent constituencies where there are serious concerns about the decline of river quality. We will explain in the water White Paper how we seek to address the problem. We will consider not just the narrow issues involved in that particular stretch of water, but the entire catchment. We will take account of the calls on water, the loss of water from those precious ecosystems, and how we can manage the situation in future.

David Wright: Will the Minister give way?

Richard Benyon: If the hon. Gentleman will forgive me, I will make a bit of progress. Many other Members wish to speak in the debate.

We are implementing the Marine and Coastal Access Act 2009, which was mentioned earlier, and creating new marine conservation zones around our coast. Let me tell those who talk of the checklist that may have found its way into the motion that that item is flagged as a red, and is very much ongoing. We are adhering to the timetable that was set by the hon. Member for Ogmore when he was a Minister. We are determined to complete the task, and to create an ecologically coherent network of conservation zones around our coast.

Paul Flynn (Newport West) (Lab): Will the Minister give way?

Richard Benyon: Is it a quick one?

Paul Flynn: It is a question that involves all the devolved Assemblies, especially the Welsh Assembly, where all parties are enthusiastic about marine development, but are hamstrung by restrictions that prevent them from organising even pilot projects in Pembrokeshire without the say-so of the national Government. Is it not time that the Government put their devotion to localism into action, and allowed the Assemblies to implement robust environmental policies?

Richard Benyon: I am afraid that I simply do not recognise that situation. We met Ministers from the devolved Assemblies this week, and discussed the way in which we are approaching the management of our seas and other policies, in the context of Europe but also nationally. I have worked closely with those Ministers, but I have heard none of them suggest that our parliamentary activities are limiting their ability to control their own environments.

We have also successfully defended the moratorium on commercial whaling. Many may not consider that to be a massive issue, but our constituents certainly do, and I think that the House should recognise the excellent work done by DEFRA officials. I bear the scars on my back from attending two meetings of the International Whaling Commission, and the fact that the British Government have led in making that organisation fit for the 21st century is to our credit. We have contributed £100 million to protect international forests, and the Secretary of State is working closely with Brazil to secure the best use of those funds. As we build on the wonderful achievements made in Nagoya we see real benefits, and Britain's standing in regard to those and other issues in the international forum has been enhanced in recent months.

The Government's economic policy objective is to achieve strong, sustainable and balanced growth that is more evenly shared across the country and between industries. The Treasury is committed to that, and has made important progress on a range of green initiatives. It has fulfilled the Government's commitment to introducing a carbon price floor—a world first—as the basis of an innovative and economically ambitious green policy. This year's Budget outlined the Government's commitment to green investment, making £3 billion available for the green investment bank over the next four years. That will provide a lever for £15 billion of private investment in green technologies, a fact that was tragically missing from the speech of the hon. Member for Wakefield.

Nicholas Soames (Mid Sussex) (Con): I am grateful to my hon. Friend for giving way.

Hon. Members: You have only just come into the Chamber!

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. The right hon. Gentleman has only just arrived, but it is up to the Minister to give way if he wishes to do so.

Nicholas Soames: I apologise to the House and to the Minister for asking to intervene when I have only just arrived. I hope that the House will forgive me. I have been at a meeting of the 1922 Committee.

I congratulate my hon. Friend on the work that he has been doing. May I ask him to cast a particular eye over the very serious environmental problem of the gross over-extraction of water from rivers in general and in particular from chalk streams, which are waters of international renown and importance in this country? Will he tell us what level of extraction he considers acceptable?

Richard Benyon: I have already said that we will address that in the near future in the water White Paper. We are determined to comply with directives, because that is what we all have to do, but we are also more ambitious, in that we want our aquatic environment to be restored. That legacy will be difficult to achieve, but we can achieve it. We can secure huge improvements in biodiversity and ecosystems by just making some changes. It is not easy to change abstraction when large numbers of people rely on the water in question for their daily lives, but this can be done, and it will be done under this Government.

David Wright: What discussions has the Minister had with Department for Communities and Local Government Ministers about the use of grey water produced in urban environments? That is of key importance. The right hon. Member for Mid Sussex (Nicholas Soames) made a good point about the level of water abstraction in the UK, but what we are not very good at—whereas other countries in the European Union and around the world are good at this—is using grey water in the built environment and recycling it.

Richard Benyon: The hon. Gentleman makes a good point. We are determined to address this issue from both ends of the pipe, as it were. We must look not only at abstraction and how we can incentivise water companies to share water with neighbouring companies, but at how we can incentivise and encourage individuals and households. A recent "Panorama" programme showed what can be achieved by households; by doing just a few things, they can reduce the amount of water they use and protect the environment.

Ian Swales (Redcar) (LD): Does the Minister intend to look at building regulations, on which the UK is decades behind some other European countries, particularly in respect of the reuse of water?

Richard Benyon: We are consulting DCLG colleagues on that and a variety of different issues. I recently visited the Building Research Establishment at Watford. Amazing work is being done there on grey-water systems and how households can use much less water. We want to take those ideas forward, and we will keep the House informed as we do so.

Mr Graham Stuart: On the green investment bank, may I point out that the largest manufacturing area outside London is Yorkshire? A quarter of the nation's energy is produced in Yorkshire. Yorkshire stands ready—manufacturers, councillors, universities—to work with the green investment bank. Will the Minister give us more details of what exactly it will be doing, and what role Yorkshire can play in making sure we take forward the green revolution?

Richard Benyon: My experience in this House is that Yorkshire MPs believe that life starts and finishes in Yorkshire, and I am sure the green investment bank will find a way of investing in my hon. Friend's constituency—and elsewhere. We will come to the House with more details in the near future.

We were talking earlier about whether the concepts of green and growth were complementary or at odds with each other. We firmly believe they are complementary. The environment is an economic issue. Better management of natural resources is a financial and environmental opportunity. That is recognised by the Government and leading businesses. The waste review and the natural environment White Paper underline that by putting resource efficiency and the natural environment at the heart of economic growth.

Broader initiatives either already delivered or in the pipeline include electricity market reform, the renewable heat incentive and the green deal, which is the largest retrofit project. The Government also have an initiative, "Enabling the transition to a green economy", which is being led by the Department for Environment, Food and Rural Affairs, DECC and the Department for Business, Innovation and Skills. It brings together under one heading all of our ambitions and plans for moving towards a green economy.

To help in that, we have set up the Green Economy Council, chaired by the Secretaries of State for BIS, DEFRA and DECC, which brings together more than 20 business leaders from leading businesses and business groups ranging from Ford to Waitrose. It provides an open forum for business to work with Government to address the challenges of creating the green economy and to facilitate growth opportunities.

I wish to highlight two ways in which we are hard-wiring natural capital across government, and I referred to that in passing earlier. We are working with the Office for National Statistics to include natural capital in the UK environmental accounts. We are also setting up a natural capital committee—an independent advisory committee reporting to the Economic Affairs Committee—to provide expert advice on the state of England's natural capital. We will be advertising for a chair and members this year.

That develops one of the key objectives put forward by GLOBE International—my hon. Friend the Member for Beverley and Holderness and the hon. Member for Brent North (Barry Gardiner) are such able vice-chairmen for that organisation. We are also establishing a business-led ecosystems market taskforce to review the opportunities for UK business from expanding green goods, services, products, investment vehicles and markets, which value and protect nature's services.

I shall now move on to more specific issues. Earlier this year, we published our waste review, which is a comprehensive look at prevention, reuse, recycling, recovery and disposal, aiming for a zero-waste economy. It provides a broader picture than recycling targets and sets us on a path towards a greener, more innovative economy that values waste as a resource and an opportunity for jobs.

Joan Ruddock: May I make a suggestion to the Minister? He will know that the Secretary of State for Communities and Local Government is going to make millions of pounds available to local authorities to return to weekly collections, which they departed from in order to boost recycling. As the Minister will know, food is one of the main issues to deal with, so why does he not make representations to the Communities Secretary to say that money should be provided to those local authorities, such as my local Lewisham council, that have weekly collections but could expand, if they had the money, into food collections? That would have enormous benefits, including job creation.

Richard Benyon: The right hon. Lady is right to say that there are huge benefits if we get this right. We are working not only to deal with food waste—to encourage people to buy less and to waste less food—but to make sure that what waste food there is can be used in a constructive way. That is why our policies on anaerobic digestion have huge potential, not just for a municipal approach to this issue, but, for example, for the farming industry as a way of diversifying its business. So I assure her that we are talking, and will continue to talk, to people right across government to ensure a joined-up approach. I respect her knowledge on this matter.

I spoke earlier about broadband, but I wish to emphasise that it is an absolute priority for this Government, as it will make the difference to our rural community. Our economy will be enhanced in a sustainable way for the future when we are able to have creative industries operating in remote parts of the country.

We expect to be able to deliver better flood and coastal erosion protection to 145,000 households by March 2015. Despite spending reductions, no schemes have been cancelled. That is an important point for the hon. Member for Wakefield to understand. We expect to spend at least £2.1 billion on tackling flooding and coastal erosion over the next four years. We expect to

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spend this money better than it has been in the past and to do so in an open way, where local communities can really see how it is operating.

On mandatory carbon reporting for companies, we have consulted widely over the summer on whether we should introduce regulations in this area. We need to be clear that these regulations are the best way forward, and the Secretary of State will announce the outcome to the House this autumn.

To conclude, the Government are proud of what we have achieved thus far. We have been in government for only 17 months and there is a huge amount to achieve, but I am certain that we can achieve it. I ask the House not to support the motion, because I believe that what I have told the House this afternoon has shown that we are ambitious for more and that we can achieve enormous benefits for our economy by thinking in terms of the environment and the economy together. We hope to do that as we move forward.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Before I call the next speaker, may I say that we are very short on time and I am going to introduce a five-minute limit?

5.34 pm

Sheila Gilmore (Edinburgh East) (Lab): We have heard a lot of words in the past 35 minutes, but, frankly, not a lot of substance. Being green is very fashionable these days and has been for some time. The Conservative party even changed the colour of its logo to green from blue, but if the verdict of many voluntary groups is correct, perhaps the party will have to change it back to blue again before long. At one point in my election campaign I stood at hustings that had been called by a group of charities and pressure groups on environmental issues and I was struck by how dull it was because there was apparently very little divergence of opinion.

Of course, what matters is not what one says but what one does in practice, and I put it to the Minister that he could be more ambitious. For example, even on the simple issue of recycling targets, Scotland and Wales both have more ambitious targets than his Department. In Scotland, the target is to reach 60% by 2020 and 70% by 2025. I believe that if we do not have targets, we will not be inspired to make the effort. A lot has been said about targets by the Conservative party and it has become almost a mantra, or a statement as though it is a fact, that targets are somehow a bad thing. We hear far too much about how bad top-down targets are supposed to be, but targets have proven to be extremely effective in pushing people into reaching the ends they say they want. Without targets those ends might not be reached. It is disappointing that the examples set by Scotland and Wales are not being followed in the rest of the country. There is a knock-on effect for jobs and economic growth, because the kind of relatively small-scale industry that we all say we want can be built up on the back of better recycling.

Another thing we have heard an awful lot about from the Government is the notion of nudge theory and how important it is to nudge people in a particular direction. However, I cannot understand how nudging people to revert to weekly bin collections, as my right hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) has mentioned, can be a nudge in the right direction. It must surely be a nudge in the wrong direction. There should be financial support for better reuse and recycling. I do not want to say that recycling is the only thing because it is important to reuse and I would love it if industries here were encouraged to reuse bottles, for example, as happens in many European countries, rather than our simply smashing them into the recycling bin, fun though that is for children in particular. If we do not put investment in, rather than doing the opposite, we will be heading in the wrong direction.

I did not really hear from the Minister what the Government plan to do about mandatory carbon reporting. We have had consultation, despite the fact that the parties in the coalition Government seemed very keen on carbon reporting when they were in opposition, and we have heard that there is going to be some sort of statement in the autumn. In my part of the world, although perhaps not in the warmer south-east, autumn is rapidly running out and it would be helpful to know what the Government's real thinking is on this.

Another thing that worries many Opposition Members and people out in the country is the Government's dedication to things such as the red tape challenge. People worry that the concentration on that approach means that many very important regulations, which are needed, will be done away with. Government Front Benchers are shaking their heads but why take that approach and why make such a big thing of it? It is interesting that whenever anything goes wrong people call for more regulation, not less; we should not be throwing away very valuable environmental regulations.

5.39 pm

Rory Stewart (Penrith and The Border) (Con): I am a little troubled by the idea that the Opposition are presenting their policies to be quite so idyllic. My experience as a Cumbrian MP is that when one looks at a village such as Bampton in my constituency, what one sees is neglect. The past 10 years have seen, if I look to the left, that we suddenly have inedible grass on our hillside because the stocking levels have become too low. We have cows dying unnecessarily of bovine TB. We have an absence of affordable housing in our villages because of rigid planning regulations, and we have worse mobile coverage in Cumbria than in Kabul and extremely ineffective broadband coverage.

In every single respect, the problem—this goes to the heart of the motion—has not been a lack of cash. The problem with the policies pursued has been that they have been too centralised in London, too inflexible and too black and white, and they have failed correctly to engage with communities and businesses.

Mary Creagh: I saw an interesting article a couple of weeks ago in *Farmers Guardian* or *Farmers Weekly*, which I read assiduously, about bovine TB. Will the hon. Gentleman confirm that bovine TB in his area is not endemic in the badger population, and that it has come from the movement and transmission of cattle?

Rory Stewart: I shall take up that point, as it illustrates the four aspects that I identified. What we need and what the Government are providing is more courage, which goes to bovine TB, more work with communities, more ability to confront vested interests and more creativity.

On courage with respect to bovine TB, what is the fundamental problem with bovine TB in Cumbria? It is not badgers, as the hon. Lady says. It is that for 13 years the previous Government were not prepared to talk honestly to farmers about the fact that the TB getting into our herds is coming from cattle movement. The answer should come from a better attitude towards movement and linked holdings, and a better attitude towards post-movement testing. Scotland has shown the example. We should have had the courage in areas such as Cumbria, which are still safe and where TB is not endemic, to have effectively moved that border south.

That leads to the second element—working with communities. Again, the solution to the lack of affordable housing in our area, the solution to planning in our area, and the solution to renewable energy, particularly hydro-generation, lies in working much more flexibly with communities. We have just built 22 affordable homes in a rural area by allowing the community of Crosby Ravensworth to do its own planning. We are doing barn conversions up and down the east side of Cumbria by listening to communities who want houses for farmers' children and have been unable to provide them because of rigid centralised planning regulations.

There has been a failure to confront vested interests—a failure to confront supermarkets over contracts, a failure to confront supermarkets over planning, and sometimes a failure to confront certain elements and lobbies within the farming interests, which connects to the issue of bovine TB. The solution is not only to engage with communities and not only to be more courageous, but to be more creative, which brings us to broadband and mobile telephone coverage.

Mr Graham Stuart: There is another problem—the direct and, I suggest, deliberate skewing of Government funding to urban areas in the name of deprivation, and away from rural areas. The average grant per head in rural areas is 50% less than in urban areas at the end of 10 years of Labour, average incomes are lower and the average council tax is 100% higher. People are poorer, they pay more and get less, and that needs to be put right.

Rory Stewart: I agree, but to continue to develop the point, it is not simply a matter of cash. The point is creativity. On broadband, the problem with the Cornish project implemented by the previous Government with enormous generosity was its inflexibility—£100 million spent on a region with half the surface area of Cumbria. Were we to try to pursue broadband on that basis, we would spend £42 billion in this country, instead of which, by using communities that are prepared to dig their own trenches and to waive wayleaves, and by pushing commercial providers to innovate in their technical delivery, whether it is cellular delivery, a point-to-point microwave link or a fibre optic cable, means that in Cumbria, with any luck, and touching wood, we should be able to achieve results at least as good as those in Cornwall for about a quarter of the price.

The same is true of mobile coverage. The Ofcom target of 95%, which was set under the previous Government, was not ambitious enough and the costs to rural communities were extreme. By pushing up the coverage obligation, providing £150 million—not a very large amount—for building more masts and, most importantly, confronting the producer interest, meaning the mobile phone companies, which used to be their stock in trade, and compelling them to provide the coverage that they are reluctant to provide outside urban areas, we should now be able to achieve coverage of 98% to 99%.

The economic benefit of all that to rural areas would be immense. There would be a GDP benefit to small businesses and health and education benefits for remote rural areas. All the health, prosperity and vigour that that would bring those communities would allow the delivery of exactly the environmental projects that the Opposition hold so dear. Prosperous and vibrant rural communities will allow farmers, who are often the people in whom we vest responsibility for the environmental projects, to deliver them.

In conclusion, the fundamental mistake in the Opposition's motion is not their objectives or what they feel ought to be done, but the methods they propose. I am afraid that those methods are dependent on a large deployment of cash, which is what I call the Cornwall approach. Instead, I believe that this Government have brought, as I am proud to see in rural Cumbria, the right focus on communities, the right creativity and the right ability to confront and to show courage, which hopefully means that the next time I look out of my window in my constituency, when I return there tomorrow, I will see affordable housing being built, broadband going into the ground, mobile coverage emerging, healthier cows and a more prosperous farming community that can support all the environmental targets we hold dear.

5.46 pm

Nic Dakin (Scunthorpe) (Lab): I am pleased that the hon. Member for Penrith and The Border (Rory Stewart) has drawn attention to the supermarkets, because I am disturbed by the fact that the Government have failed to listen to the concerns of farmers and consumer groups, who want the groceries code adjudicator to have sufficient powers to tackle any abuses by major retailers. The Government have already delayed Labour's plans for a supermarket ombudsman, and it now looks like a groceries code adjudicator will not be in place until 2013 at the earliest, about which some of my constituents are very concerned. If we addressed the problem of packaging and waste in supermarkets, and if supermarkets were as efficient as industries such as the steel industry in avoiding waste and recycling materials such as grey water, our situation would be much more sustainable.

Kelvin Hopkins: I very much support the idea of a supermarket ombudsman. Would the ombudsman also look at how supermarkets use their purchasing power to force down producer prices, particularly in British agriculture, and use the savings to inflate their profits rather than passing them on to consumers?

Nic Dakin: My hon. Friend makes an excellent point. Those are the concerns that a Government who are attempting to be the greenest Government ever should be addressing. Sadly, this Tory Government are out of touch on the environment. The rows over planning, the forest sell-off, a 27% cut in flood defence investment, delays to the water White Paper and a complete lack of

[Nic Dakin]

ambition on recycling, which the Minister seemed almost proud of, show that the Government are behind the curve on environmental protection and green growth. Their claim to be the greenest Government ever has unravelled in just 18 months. The Tories have a plan for cuts, but no plan for the environment. DEFRA cannot even ban wild animals from circuses, which is not a great deal to ask.

Mr Graham Stuart: I know that beneath the new Whip's bluster there is a decent, honourable and reasonable person. One of the most pleasant aspects of the Minister's speech today was that he did not once seek to describe or excoriate the performance of the previous Labour Government, which he barely talked about. He focused almost entirely on this Government's policies. I ask the hon. Gentleman to throw away the Labour Whip's handbook, despite his new job, and to be positive by talking about what can be done, rather than focusing endlessly on this negative stuff.

Nic Dakin: I thank the hon. Gentleman, for whom I have great regard. He has added "excoriate" to "prescient" and "canard" in the lexicon that we are being treated to this afternoon, but I fear that he was listening to a different speech from that which I heard.

Twenty-nine leading conservation charities, in their "Nature Check" analysis published this month, have criticised the Government for failing to show leadership on the natural environment. In their fair and balanced conclusion, they say:

"Whilst the Coalition has done well as a champion for the natural environment on the international stage"—

so, ticking the box there—

"at home its commitment to being the 'greenest Government ever' is in danger of being undermined. This assessment raises profound questions over the Government's ability and willingness to deliver its green commitments, let alone to set out a long-term, coherent strategy to reverse biodiversity decline by 2020 and meet the needs of the natural environment alongside economy recovery."

So, when it comes to delivery, there are serious questions.

Let us look at some key figures, which the RSPB has drawn from recent reports, on the level of the challenge. It states that

"43% of priority habitat and 31% of priority habitats in England are declining; 304 species in England were red-listed in 2007, because of severe decline (more than 50% loss over 25 years) more would be added by an audit today; and less than 37% of SSSIs in England...are in a favourable condition."

That illustrates the challenge and need with which we are confronted.

Business wants certainty to invest in green jobs and new technology, yet this Tory Government are failing to provide the certainty that industry needs—[Hon. Members: "Coalition."] I tend to think of the coalition as a Conservative Government. That is what we see all the time when Members go through the Lobbies.

There was much progress under the Labour Government, but there is still much more to make, and that is the challenge for a new Government—to pick the baton up and take the race forward. I am afraid that the Conservatives, however, threaten much of the progress that Labour made on green growth, sustainable development and the environment. They have left a trail of broken green promises. Since the time of the huskies, we have had almost a "For Sale" sign up over many of our natural assets, and support for public access and enjoyment of the countryside has weakened. Things to which people should have a right are challenged and are in danger because of this Government's position.

Labour created two new national parks, which is great witness of Labour's commitment. The Tories, on the other hand, have cut funding by 28.5%, meaning that visitor centres will close, parking charges will rise and nature trails will be left unkempt. This is a serious time for the environment, so it is time for the Government to step up to the plate and deliver for it, both in this country and internationally.

5.53 pm

Dr Thérèse Coffey (Suffolk Coastal) (Con): It is a great pleasure to speak in this debate and vigorously to oppose this motion. I am delighted to see so many Opposition Back Benchers in the Chamber—three times more at its start than there were for the entire NHS debate. This is a welcome conversion, given that when elections to the Environment, Food and Rural Affairs Committee were held, not a single Labour Back Bencher put themselves forward for it until later rounds.

I want to focus on recycling. I pop up every now and again when Opposition Front Benchers talk about it, and it frustrates me, because we can have as much aspiration as we like. I would love to lose 7 stone, and I did once before, but it does not mean anything if I do not actually deliver. The hon. Member for Wakefield (Mary Creagh) referred to recycling rates, which rose from 11% at the start of her Government to 40%. Let us have some Top Trumps in our recycling rates. The right hon. Member for Lewisham, Deptford (Joan Ruddock), who is no longer in her place, introduced a private Member's Bill. The recycling rate for her council is 16.8%. In Wakefield it is 39.1%. In Ogmore, which is split between two councils, it is 33.5% in Bridgend and 36.9% in Rhondda. They are all Labour councils. In Luton it is 35.8% and in East Lothian is it 35.4%. The figures get better when we move to the shadow Department of Energy and Climate Change team. In the shadow Secretary of State's constituency the recycling rate is 27.5%, In the shadow Minister's constituency in Liverpool, it is 25.4%. In South Lanarkshire it is 40.1%—*[Interruption.]*

The hon. Member for Ogmore (Huw Irranca-Davies) asks whether there is a point to those figures. Yes, there is, because I am about to read out the recycling rates for Conservative-controlled councils, which actually deliver. The figures that I gave had in common the fact that they are mainly Labour-controlled, apart from one, which is a Scottish National party coalition.

The rate in my council in 2010 was 51.8%, which leapt to 60.7% in the following six months. In Waveney, which the hon. Member for Luton South (Gavin Shuker) will visit on Friday—I am sure he will have a nice time there—it is 53.2%, so perhaps he will learn about the three-bin scheme that has been introduced to ensure that there are weekly food collections. Indeed, the right hon. Member for Lewisham, Deptford should be aware that she can apply to the Department for Communities and Local Government fund to ensure that those collections continue.

Kelvin Hopkins: The hon. Lady claims that Waveney is a Tory area. At the moment it has a Conservative MP, but it had a splendid Labour MP for the previous 14 years, and it currently has a hung council, which is effectively Labour-controlled.

Dr Coffey: The hon. Gentleman is incorrect. My point is that aspirational targets may be set by the Government, but councils deliver. Waveney was Conservative-controlled when making that change, and is still Conservative-controlled.

Ben Gummer (Ipswich) (Con): Ipswich, which until May was run by a coalition between the Liberal Democrats and the Conservatives, achieved more in the five years of coalition control in raising recycling rates than during nearly 30 years before that when it was Labour-controlled.

Dr Coffey: My hon. Friend and neighbour is absolutely right. I will continue with the Top Trumps challenge, and turn to those on the Conservative Front Bench. In Solihull the recycling rate is 40.7%; in South Cambridgeshire it is 53.6%. West Berkshire has the lowest rate of the areas represented by the Department's Ministers, but it is still 40.2%. In the constituency of the Minister of State, Department of Energy and Climate Change, my hon. Friend the Member for Bexhill and Battle (Gregory Barker) it is 43.1%. I forgot to mention Edinburgh, East where the rate is 31.5%.

There is no point in a lot of hot air about aspirational targets if local councils do not deliver. We encourage our councils to get on with the programmes, to be innovative locally, and to ensure that they happen. Conservative Members are proud to go back to our councils and to talk about recycling rates of 60%, but on the other side of the Thames, where MPs are championing recycling, their councils are delivering very little.

Nigel Adams (Selby and Ainsty) (Con): Does my hon. Friend believe that the Labour party's bin taxes would have encouraged recycling?

Dr Coffey: I thank my hon. Friend for his intervention. He makes a good point, and the answer is absolutely not. The hon. Member for Edinburgh East (Sheila Gilmore) referred to nudge activity, but incentivising people to do the right thing has worked. The punitive measures proposed by the previous Government did not have that effect.

Sheila Gilmore: I would like the hon. Lady to put on record the fact that Edinburgh council has been run by a Liberal Democrat-Scottish National party coalition for the past four and a half years.

Dr Coffey: I said that there were SNP-Liberal Democrat coalitions, as is the case with East Lothian council.

My hon. Friend the Member for Penrith and The Border (Rory Stewart) spoke eloquently about rural broadband and ambitions. We all recall the 3G auction, when £22 billion was raised. If half of that had been used, we would have had fibre optics to every house in the country 10 years ago. That is the kind of ambition that we need, and will have, with this Government, who put their money where their mouth is with the £530 million to be spent within the next four years. The Minister may not have recalled that DEFRA also set aside a smaller, £20 million fund to enable communities, especially rural communities, to access broadband now and not necessarily wait until the 2015 target date.

Other Members have talked about the green investment bank and the capital cuts. I accept that, as the hon. Member for Ogmore said, the Labour Government did not commit specifically to a reduction in flood defence spending. However, Labour Members who were Members in the previous Parliament voted in the 2010 Budget for a 50% cut in capital spending. It is correct, as the hon. Gentleman said, that they had not specified where that cut would take place, but nor had they set out a comprehensive spending review. That lack of transparency is one of the reasons the previous Government were thrown out of office fairly decisively.

I have not yet mentioned my favourite topic—coastal erosion. I am delighted to say that since the Minister came to my constituency and pulled people together, local environment agencies, Natural England and communities have been working together to ensure that, with community contributions, we have funded coastal defences in Thorpeness and the scheme in Felixstowe, and we are now enjoying the benefits of that. I am very proud to be on the Government side of the House, and I will vote most strongly against the motion.

6.1 pm

Pat Glass (North West Durham) (Lab): I want to focus on three aspects of the motion: the sell-off of forests, which, despite the Government's U-turn and nice warm words, is still going ahead, including in my constituency; the Government's nonsensical approach to waste; and the broken promises to communities up and down the country on flood defences.

My constituency, like that of my neighbour, the hon. Member for Penrith and The Border (Rory Stewart), is a large rural constituency with many lowland and upland farms. It has two areas of outstanding natural beauty, and many acres of moorland and forest. What DEFRA does matters to people in my constituency, and so does what DEFRA does not do. In the countryside, we have had, in effect, 18 wasted months and a trail of broken promises. First, we had the proposal to sell off forests. Despite the Government's U-turns and all the nice warm words that were said in this House, the Government are still planning to sell off 40,000 hectares of land over the next four years, some of it in my constituency. Ministers got away with it last time, but they will not do so this time. On Monday night, I listened to many impassioned speeches by Conservative Members saying, "I have to vote for this EU referendum because my constituents have been in touch with me and told me that I need to." Their constituents got in touch with them in droves in response to the sell-off forests, and yet it is still happening.

I accept that the mess that now exists around waste is not really of DEFRA's making, but lies at the door of the Secretary of State for Communities and Local Government—a man who seems to be obsessed with little other than bin collections. The Government have failed to set ambitious targets for recycling in England, and—this is a capital offence—they have stopped Labour's ban on wood going to landfill, saying that they will think about it again in 2012. Frankly, that is not good enough. I live in the former Derwentside district council area, which is now part of Durham county unitary

[Pat Glass]

authority, and we left weekly bin collections behind years ago. There was a lot of upset at the time—people do not like change—but if Durham county council tried to reintroduce weekly bin collections now, people would be incredibly unhappy.

I have three bins—one for waste; one for recycling, which gets emptied fortnightly; and one for garden waste, which is collected monthly—and guess what, I do not have rats and vermin skulking around my bins. My neighbours and I recycle everything we can, and we are proud of our recycling. The hon. Member for Suffolk Coastal (Dr Coffey) gave us a long list of councils and their actual recycling levels as opposed to the targets. None of us in this House is responsible for that, but I am responsible for my own recycling and the waste that is produced in my house.

Dr Thérèse Coffey: I understand that the hon. Lady and I cannot control the recycling rates of our councils, but it seems odd that people always complain to the Government when it is councils that deliver that service. My challenge is that we must encourage our councils to recycle as much as they can.

Pat Glass: I absolutely agree with that, but it ultimately comes down to us. I do not want weekly bin collections to be restored and nor do any of my neighbours. They are a waste of time and of our natural resources. There is virtually nothing in my waste bin; almost everything goes into the recycling bin. If I can do it, so can everybody else.

Caroline Lucas: Does the hon. Lady agree that although recycling is important, it is third on the so-called waste hierarchy? Reusing resources and reducing the number of resources that we use in the first place are also critical. On those matters, we need Government action as well as local authority action.

Pat Glass: I absolutely agree. We need a proper strategy on recycling and waste, and we need to stop obsessing about bin collections.

On flood defences, I know that DEFRA has taken a massive 30% cut and that some of that has been passed on to flood defence schemes. The Government have rejected the Pitt report on improving flood defences and have cancelled major schemes that were scheduled to take place in towns and cities such as York, Leeds and Morpeth in Northumberland. That will cause massive concern not only for people who have suffered from flooding in the past, but for anyone who lives in a city or town that had hoped to be included in the flood defence scheme. We all acknowledge—even the Government acknowledge—that the flood risk is growing and that flooding will affect more communities across the country in the future.

In the summer, I was visited in my constituency surgery by constituents who live halfway down Blackhill bank in Consett. They came to see me about flooding. Anyone who knows Consett will know that it is 885 feet above sea level. According to Wikipedia, it is the second highest town in the country. We have never had flooding in places such as Consett before. Those people told me that it is not only water that comes through their house, but black water—sewage. It can take up to two years for home owners and businesses to get back into their properties.

Despite that, flood defence schemes have been cut. That means that many home owners and businesses will no longer be able to get insurance when Labour's agreement with the insurance industry runs out in 2013, because that agreement was based on continued Government investment in flood defences, not on cuts.

The Government's strategy on the environment is simply not working. It is not supporting the countryside, it is not delivering for the majority of people in this country, and it will leave communities that are vulnerable to flooding to fend for themselves.

6.7 pm

Andrew George (St Ives) (LD): I congratulate the hon. Member for North West Durham (Pat Glass) on her contribution. I also congratulate the hon. Member for Wakefield (Mary Creagh) on securing this debate, but this subject does not lend itself to the kind of partisan debate that she was hoping for. Frankly, what we should be doing in this Chamber is forming a cross-party alliance of those who agree with this agenda. There are philistines on both sides of the House who do not agree with it—the climate change deniers and those who believe that environmental policies get in the way of economic development. There are also people on both sides of the Chamber who want to engage in a more consensual debate.

This subject does not lend itself to partisan debate because the political cycle does not match the cycles of the natural environment or the investment timetables that are necessary for the delivery of policies such as renewables programmes and broadband development. To prejudge the success or otherwise of the Government after 18 months, when it is far too early to decide whether the natural environment of the UK is better than it was under the previous Government, is frankly a poor partisan point that does not advance the debate.

Roger Williams (Brecon and Radnorshire) (LD): My hon. Friend makes an important point about having a cross-party approach to the environment. In the last Parliament, the hon. Member for Ogmore (Huw Irranca-Davies) took two pieces of legislation through the House, the Marine and Coastal Access Act 2009 and the Flood and Water Management Act 2010, that had cross-party consensus and that led to real improvements in the environment.

Andrew George: Absolutely, and I am really grateful to my hon. Friend for making that point. It takes me on to another point that I wish to make, in response to the hon. Member for Scunthorpe (Nic Dakin), who is no longer in his place. He was bemoaning the lack of progress on the draft Groceries Code Adjudicator Bill, which has cross-party support.

I have to declare an interest, as for the past five years I have chaired the grocery market action group. I have been urging and seeking cross-party support for that Bill. When I started out I was entirely on my own, but I am pleased to say that both the previous Labour Government, latterly, and the Conservatives just before the general election came on board and recognised the

importance of ensuring that we get fair dealing in the grocery supply chain. Although that is not directly relevant to our debate on the environment today, it is directly relevant to other matters that Members have raised, including recycling. On that issue and others, we should form cross-party support.

In spite of the very limited time that we have, I cannot allow this moment to go by without responding to the hon. Member for Penrith and The Border (Rory Stewart), since he mentioned the great nation of Cornwall and the investment strategy for broadband. It has to be said that there are more than 500,000 people in Cornwall, and its population may not be as dispersed as that of Cumbria. He may well be right that we will be paying Rolls-Royce prices for something that we could be getting a little cheaper, but if the policy is advanced in one rural area, lessons can be learned that will benefit other areas later.

Rory Stewart: That is a very fair point, and it is absolutely right that Cornwall got a good deal at the time when it got it. However, the real lesson of that is that we need flexibility and pilots, with one county at a time learning the lessons so that we can drive down the costs and force suppliers to do more and more as they move from Cumbria to Northumbria and around the country. What I said was not intended as a criticism of Cornwall.

Andrew George: No, and I am very grateful to the hon. Gentleman for agreeing with me on the matter. Certainly it is not possible to have fibre-optic cable to a cabinet within yards of every home in dispersed rural areas, so we need to ensure that we have an investment profile that allows the use of satellite broadband in certain circumstances. We are learning lessons from the Cornish example, and we have had the benefit of European convergence funding to take the matter forward.

I wish to touch briefly on three more matters—waste, green growth and sustainable development. The Government have rightly put in place a waste review. It is an iterative process that is progressing—perhaps too slowly, but it is certainly progressing. It provides a framework for those who want to engage in the process, as I encourage Members of all parties to do, to make constructive proposals to enhance the Government's intention to achieve a zero-waste economy. That means sending zero to landfill.

Jim Shannon (Strangford) (DUP): Will the hon. Gentleman give way?

Andrew George: I do not think I will get any injury time, but I will give way.

Jim Shannon: I thank the hon. Gentleman and apologise for that. Everyone is committed to recycling, but recycling itself obviously costs money. How does he see the balance between the necessity of recycling and the cost factor?

Andrew George: I see recycling as being part of the green economy, in which jobs are created and there is a massive benefit to the economy in general. When I intervened on the hon. Member for Wakefield, I was simply saying that an obsession with one narrow silo of the waste strategy—the measuring of recycling by the proportion or volume that is achieved—is entirely wrong in an economy such as the UK's. The amount of waste recycled is a helpful indicator, but it is possible to have increased recycling and increased landfill at the same time. I do not think it is necessarily the measure by which we should judge ourselves, and I encourage Members to consider that carefully.

On green growth, it will take a long time to get the investment profile required to achieve the improvements that we are discussing. We should have a green economy that drives development in this country. The previous Government started that process, and the present Government need to continue it. RenewableUK is identifying itself with a survey out today that says that 80% of its members plan to hire extra staff within the next 18 months, so people are growing in confidence in that regard.

Finally, it is important that we mainstream sustainable development issues. The Public Bodies Bill is well intentioned, but if the intention of planning policy is to promote sustainable development, we need to re-establish the Sustainable Development Commission.

6.15 pm

Geraint Davies (Swansea West) (Lab/Co-op): It is a pleasure to contribute to this debate as a former chair of Flood Risk Management Wales—for the five years before coming into Parliament, I was charged with adapting Wales's flood defences to climate change.

The big picture we face is of global climate change giving rise to a reduction in the land mass of the globe, with the population increasing from 6.8 billion to 9.5 billion by 2050, which will mean food and water shortages, migration and conflict. The Kyoto protocol will come to an end in 2012. The Americans seem to want to let it die on the vine, and the Chinese and Indians want to keep it going, but it is incumbent on us to have a strategy that focuses economic growth along a green trajectory.

On that point, some of the Government's moves are disappointing. They did not support Sheffield Forgemasters, which could have been a global player in nuclear provision, and they did not support Bombardier to get a foothold in exports, which would have given us a green footprint elsewhere while supporting our economy. The big debate in the Chamber is between cuts and growth, and there is a lot of talk about how Labour left the cupboard bare, but we know from the numbers that a third of the deficit was for investment beyond earnings, and that the rest was for the banks. There should be no apology for that, because that is what stimulated growth.

We have now got rid of growth. The Chancellor announced that half a million jobs would be lost, so people in the public services started saving instead of consuming, and people in the private sector stopped recruiting and investing. The deficit is now £46 billion higher than it would originally have been. That is why the Labour party has proposed a five-point plan on VAT, national insurance and so on. The important part of that plan in this debate is investment in capital assets in flood defences.

The devastating floods in 2007 and Lord Pitt were the engine for the new trajectory of investment in flood defences, which would have provided jobs and capital assets—it would not have been money down the drain. That would have encouraged inward investment and protected neighbourhoods, businesses and homes, so I

[Geraint Davies]

am saddened that it has been reduced by 27%. We are spending £354 million this year, but that will go down to £259 million. Having worked with the Environment Agency, I know that it would have put that money to good use.

Land is an asset not just for carbon capture and generating oxygen but for tourism, but the Government will sell off 15% of our woodland. Sustainable development is the centrepiece, constitutionally, of the Welsh Assembly Government, but it is seen simply as a healthy option in England. If we are to grow our way out of deficit with a green trajectory, we need to look at emerging consumer markets in the developing countries, such as China or India or those in south America, and reconfigure our export offer around green technology. That does not seem to be happening and the Government do not appear to be proactive.

Big companies are developing products. Tata Steel, near my constituency, is developing a new seven-sheet steel that generates its own electricity and heat; and Boeing in north Wales is introducing new carbon planes, which will be 30% more fuel-efficient. The Government must provide an infrastructure and regulatory system that encourages such innovation, not just to take our economy on a green trajectory but to project us into a global leadership role. I do not see that happening.

It is fairly self-evident that global energy costs will continue to escalate, because the rate of economic growth in China, India and south America means that those countries and areas will consume more of it. Those increases in energy prices, although painful, create new and profitable green technologies. The Government should not take such a laissez-faire approach to that. I fear that when, for instance, the Chancellor scoffs at the Deputy Prime Minister's ambition for an 80% reduction in carbon emissions by 2050, it sends a signal that he does not take green investment seriously. The risk for Britain is that the Tories will blindly stumble over the green shoots that could be the future of jobs and growth in Britain.

6.20 pm

Neil Carmichael (Stroud) (Con): It is a great pleasure to address the House in this fascinating debate, which has drawn two interesting distinctions between the Government and the Opposition: between statism and localism and between non-joined-up and joined-up government. Several policy areas prove those points.

First, I want to talk about the green economy and what is really happening out there. The shadow Secretary of State painted a picture that did not describe the situation in my constituency or, I believe, beyond it. First, we have, or will have soon, the green investment bank, which is a signal change and a very good idea. It will have £3 billion to invest and will be able to capitalise in 2014, which is a fantastic step forward. Ironically, the hon. Member for Swansea West (Geraint Davies) referred to the Dreamliner aeroplane, a fantastic achievement, which is just about to start flying right now and which has created huge numbers of jobs in this country, because we supply 30% of the products.

Those products are, by definition, along the lines of green investment, because they are all about composite materials, lighter materials and so on, which is great news. Many businesses in my constituency are working hard and successfully at developing new innovation and technologies to tackle issues relevant to the green economy, and I am really proud of that. I encourage them, instead of distracting them with assertions that things are not going well and so forth. Of course, we could improve banks' performance in investment, but we should still salute what is actually happening. There are countless firms in my constituency that I would happily take the shadow Secretary of State to see, if she so wished.

Another important but neglected issue is the green deal, which will make a huge difference to 22 million homes and which is provided for in upcoming legislation. It is extraordinarily important and will help many people to reduce their energy bills and improve their quality of life because their homes will be better places to live in. That, in itself, will stimulate growth and promote more investment across the piece, which is something that we should all welcome. Certainly, businesses in my constituency are pleased that the green deal is about to be launched.

I talked about localism versus statism. Let us explore that with reference to broadband. I do not know what world the shadow Secretary of State was describing, but the one that I found when I was first elected in Stroud was not one where broadband was particularly accessible to anybody in rural areas in my constituency. Things are improving now, first because of the bold decision of the Secretary of State for Culture, Olympics, Media and Sport, who came to my constituency and helped to launch a fantastic campaign to promote further investment in broadband. His wisdom was evident in a pilot scheme in Gloucestershire aimed at getting a grip of the technology and investment—£8 million—needed to start promoting broadband. The key point, to which my hon. Friend the Member for Penrith and The Border (Rory Stewart) referred, is that we have to be local and flexible. That is the essence of how we will get more and better broadband in Gloucestershire.

I talked about joined-up government versus non-joined-up government. The Minister, who has responsibility for the natural environment and fisheries, came along to the Environmental Audit Committee and proved that we were joined up by sitting next to the Minister of State, Department for Communities and 'Local Government, my right hon. Friend the Member for Tunbridge Wells (Greg Clark), who has responsibility for development and cities. They were both talking about the national planning policy framework.

Fiona O'Donnell (East Lothian) (Lab): The hon. Gentleman talks about joined-up government, but the Government's obsession with the red tape challenge means that the Department for Transport has failed to regulate ship-to-ship transfers of oil, which is leaving wildlife and delicate marine environments such as those in my constituency at risk. How is that joined-up government?

Neil Carmichael: Doubtless the Department for Transport will deal with that. We have a new Secretary of State, and I look forward to seeing what she does. However, the fact is that joined-up government is important.

The story that I was telling hon. Members about is still relevant, because the Minister was talking about the national environment White Paper—which has been endorsed by the Royal Society for the Protection of Birds, the wildlife trusts and so on—in parallel with the

national planning policy framework. That is absolutely excellent and is a true demonstration of effective joined-up government helping to deliver polices that make a difference across rural areas. I welcome that. In the past, we saw a Labour Government who were "siloed"; in the future, we see a coalition Government thinking in terms of Departments working together to produce policies that make a difference.

In an intervention, I talked briefly about flooding, but I want to emphasise the importance of localism with reference—

Madam Deputy Speaker (Dawn Primarolo): Order. Unfortunately the clock was not going down as the hon. Gentleman was speaking, so he has had more than his time. I would therefore like him to conclude his remarks.

Neil Carmichael: I want to draw the House's attention to the fantastic work that Water21 is doing to promote flood attenuation in the Slad valley. That is a classic example of good localism, good foresight and how flooding can be dealt with in a different, more imaginative way. It is a tribute to the people of Stroud and every—

Madam Deputy Speaker: Order. I call Caroline Lucas.

6.26 pm

Caroline Lucas (Brighton, Pavilion) (Green): I am gratified by the extent to which successive Governments have sought to brand themselves as green—after all, imitation is said to be the sincerest form of flattery. However, I also see it as part of my role to scrutinise the authenticity of any promises made and, most importantly, to inquire whether fine and noble rhetoric is backed by fast and ambitious action.

It is important to say at the outset, as the Green party always has, that environmental policies cannot be just bolted on to business as usual. We have always said that to judge the greenness of a Government, we should look not so much at their environmental policies, but at their economic programme. If a Government's economic policies are simply about promoting more and more conventional economic growth based on the production and consumption of yet more finite resources, it does not really matter how many green trimmings they add to their manifesto. The direction of travel will still be fundamentally unsustainable. Judged by that measure, sadly not one of the main parties has come close to understanding the true nature of green politics.

Therefore, although I welcome the fact that Labour has chosen the Government's green record as the subject for today's debate, and although I am heartened by the commitment that I have heard in the Chamber today, it is interesting to contemplate why those aspirations, commitments and statements are not made when we discuss the Budget or growth, for example. In those debates, all the "business as usual" economic arguments are trotted out, as ever. We do not marry up all the nice words about the environment that we have heard today with the arguments that we hear in those economic debates, which is when it really matters. To say that this shows remarkable inconsistency would be a kind way of putting it.

Over a year ago the Prime Minister pledged that this would be the greenest Government ever. The first thing to say about that aspiration is that it is sadly not particularly ambitious, given Labour's poor record on the environment in the preceding 13 years in office. At the end of that Labour term, the UK was getting more of its energy from fossil fuels than in 1997, when Labour came to power. Everyone rejoices in a sinner who repents, but one cannot help but think that, at best, Labour's criticism of the Government's record today shows an almost heroic degree of collective amnesia.

It is significant that one of the first acts of this Government, who aspire to be the greenest ever, was to abolish the very body that could have had a role in judging whether they could achieve that. I refer, of course, to the Sustainable Development Commission—I support the comments that the hon. Member for St Ives (Andrew George) made about that. As a critical friend, the commission was a vital in providing well-informed scrutiny of Government policy. The commission also saved the Treasury around £300 million over 10 years, against running costs of just £4 million a year. The scrapping of that commission undermines the Government's assertion that they are committed to green issues. It is also the first of many examples of ideology trumping common sense, economic sense and environmental sense.

Much has been said today about the green investment bank, and of course it is a good idea to have such a bank. It is very badly named, however, in that it is not very green and, so far, it is not even a bank. The Government are actively considering using it to subsidise nuclear power, and its wings are being clipped from the outset through insufficient capitalisation and no initial borrowing capacity for several years at least.

I could refer to many other issues, but I would like briefly to mention the complete chaos that the solar industry is now in, thanks to the way in which the Government keep moving the goalposts in relation to the level at which the feed-in tariffs are going to be secured. That is a tragedy not only for the environment but for some of the fantastic solar industries in this country that could be at the forefront of solar power internationally. Because the Government keep changing their level of support, however, the industry has been left in great confusion.

In conclusion, I shall return to my first point. Slavish adherence to the same economic model that has created the economic crisis and the climate crisis will not empower us to build a sustainable future and make the transition to a zero-carbon economy, yet that is what the Government and the Opposition are relying on. Yes, efficiency gains can help, and yes, technology will have a vital role to play, but there is a real risk—which has not been addressed today—that, with a rising population and understandably rising expectations from a growing middle class around the world, those efficiency and technological gains will be undermined by the overall level of net growth. That means that behaviour change will have to be a far greater part of the solution when it comes to adopting sustainable development, yet the dogma that we can carry on with business as usual provided that there is more and more economic growth to get us out of this economic crisis—never mind the long-term environmental, social and economic consequences—is barely questioned by politicians. Professor Tim Jackson states:

> "Questioning growth is deemed to be the act of lunatics, idealists and revolutionaries. But question it we must."

We must—

Madam Deputy Speaker (Dawn Primarolo): Order.

6.31 pm

David Mowat (Warrington South) (Con): I should like to associate myself with the comment of my hon. Friend the Member for St Ives (Andrew George) that this should not really be a political subject, but it does tend to become one. I also want to associate myself with the Minister's comment that the Opposition had shown chutzpah by holding a debate on green leadership and growth. Given that they have decided to do so, however, it is reasonable to examine what has happened over the past decade and a half, and what kind of legacy Ministers have taken over in relation to green issues.

I want to be fair to the Opposition. They have used the word "leadership" a number of times in the debate, and I have been looking for examples of Labour showing leadership in the past 15 years. It has shown it in one area: that of legislation. No one could have passed more legislation on this subject than Labour. The Climate Change Act 2008 places on us a requirement to reduce the total of our carbon emissions by 80% by 2050. That could be broken up in a number of ways, involving, for example, 25 new nuclear power stations—I do not think that the hon. Member for Brighton, Pavilion (Caroline Lucas) would agree with that—or 40,000 wind turbines. It is a hugely ambitious target. Equally ambitious was the way in which the Labour Government signed up to the EU 20-20-20 directive in 2009.

That was where Labour showed leadership, but, having done that, what did they achieve? Where had they got to by 2010? Labour Members need to understand that we are 25th out of 27 in the EU in terms of renewables, as I pointed out earlier. It is possible that that statistic could be subject to challenge, however, because it was based on provisional figures. It puts us slightly ahead of Luxembourg, but it is possible that we are not. Perhaps we are in fact 26th out of 27. That is the legacy from the last Government that we have had to pick up and run with. That is the starting point.

Even less impressive were the numbers that came out, right at the end of 2010, on the total amount of energy produced in this country from non-fossil fuel sources, by which I mean renewables, hydro and nuclear. It fell by 10%. That was the legacy we were left with. Chutzpah is not even half of it. We now have to pick up from that position.

I do not agree with all aspects of the energy policy of my Front-Bench team. I would like us to go more quickly down the nuclear road, but I agree that at least we have a green policy that can be looked at and criticised and that we can try to improve. I do not think that we had that previously. The green deal is massively important. The Climate Change Act 2008 implies a reduction of our total emissions by 2050—either with or without the economic growth that the hon. Member for Brighton, Pavilion does not want us to have—of around 40% to 50%. The green deal provides the only reasonable way of achieving that. The green investment bank and the energy market changes that we are going to make are hugely important.

Neil Parish (Tiverton and Honiton) (Con): My hon. Friend is making some excellent points. The green investment bank, to the tune of nearly £3 billion, is a great step forward. I also think that the green deal will enable those who have not got their homes insulated with solid wall insulation to get that done under the new scheme. That will help many more people to insulate their homes, which will be good not only for the environment but for the families concerned.

David Mowat: I agree.

I did not mention the carbon floor price. Having sat through the debate, it remains unclear to me whether Labour Members support it or not.

All these matters are important, and I am proud that the Government whom I support are trying to get us higher up the league table from 25th or 26th out of 27 within the EU. When the Minister sums up, will he tell us where we hope to get to by the end of this Parliament? If we start at 25th, are we heading for 20th, 15th, 10th, fifth or what? It would be interesting to hear, as we have an awfully long way to go.

6.37 pm

Kerry McCarthy (Bristol East) (Lab): I want to start by taking issue with a couple of Members who said that we should not get political about this issue. First, I would say, "Try telling that to the Secretary of State for Energy and Climate change and the Chancellor of the Exchequer", who seem to be in open warfare in today's newspapers. Furthermore, this is one of the most crucial political topics we face, and if we wrap it all up in warm words and a coat of greenwash without questioning or challenging some of the progress, we will be in danger of letting the whole agenda slide.

In the limited time available, I would like to focus on a couple of issues. A number of Members have commented on the "Nature Check" survey, which gave the red light to the Government on a range of issues, three of which deal with planning. There is real concern that the Treasury is dominating and overriding the environmental agenda in respect of planning issues. The Budget of 2011 said that

> "The Government will introduce a powerful new presumption in favour of sustainable development, so that the default answer to development is 'yes'."

We also know that the Chancellor said at the Conservative party conference in Manchester:

> "We're not going to save the planet by putting the country out of business."

He believed that, rather than leading the way in pushing a green agenda in Europe, we should only rise to the standards of other European countries, which I think is entirely wrong.

Simon Jenkins, the head of the National Trust, gave evidence to a Commons Committee the other day, saying that the "fingerprints" of rich builders were all over the planning reforms, while *The Daily Telegraph*, which one would expect to be on the side of the Conservative party, talked about an elite forum of property developers who were charging key players in the industry £2,500 a year to set up breakfast, dinner and drinks with senior Tories. This club raises £150,000 a year for the Conservatives. I would appreciate it if the Minister responded to that in his summing up, and explained what influence is being exercised. We have seen the influence of people behind the scenes in health and defence policy and other aspects of the Government's agenda.

One subject that has not been mentioned much in the context of planning is the new biodiversity offsetting regime. In Bristol, there has been real concern about the

local authority's failure to spend section 106 money. It is estimated that between £10 million and £12 million that should have been allocated to community projects, infrastructure and schools is sitting in the council coffers. As a result, not only will environments that have evolved over centuries and could be described as part of our natural heritage be replaced by artificial new landscapes, but there will be no means of ensuring that the offsetting actually happens and is maintained for many years to come. We need to know whether the regime will be effective, or whether it is just an excuse for developers to be able to destroy natural habitats and the environment. As the Royal Society for the Protection of Birds pointed out, we need a system that filters out habitats that are irreplaceable, as opposed to those that can easily be created elsewhere.

The hon. Member for Brighton, Pavilion (Caroline Lucas) expressed concern about the lack of certainty in relation to feed-in tariffs. Support has already been scrapped for large-scale projects, and it is rumoured that the Government will announce a halving of tariff rates tomorrow. Let me give an example. The Royal Bath and West of England Society was due to develop a solar photovoltaic park, for which it had already received planning permission and which it wanted to use to kick-start a rural regeneration project that it expected to create about 1,500 jobs. It had structured the project on the basis of the expected revenue from profit on the feed-in tariffs. Critically, it was interested in a loophole provided by the Department for Energy and Climate Change that would have allowed the project to proceed if it plugged in 10% of its electricity generation by 1 August 2012. Thankfully, it had not made a decision before the deadline was moved to 18 October 2010. The chief executive, Dr Jane Guise, told us today that "shifting goalposts" were making it impossible to invest in and plan for the future. She also wondered why the Treasury was involved at all.

I am afraid I have no time to give the House any more information about that, but I urge Members to talk to people who had spent months planning a project that would have brought huge benefit to the local community, but is now being—

Madam Deputy Speaker (Dawn Primarolo): Order. The hon. Lady's time is up.

6.42 pm

Huw Irranca-Davies (Ogmore) (Lab): This has been a very good debate in which Members in all parts of the House have made powerful and passionate points. One powerful point made by the Minister, with which I strongly agreed, concerned the welcome news of the publication of the national ecosystems services. I know that he will want to commend that worthy project, and to recognise that it was inspired and developed by Labour. I congratulate him on having brought it to fruition.

The Minister mentioned the fourth carbon budget, which Labour developed under the Climate Change Act 2009. It, too, is welcome, but there are two little opt-outs, to which the Chancellor referred in his review. We shall see how that proceeds.

I commend the Minister for his work with the International Whaling Commission. It is good to know that that work is continuing, and I know that he is committed to it. We have always had a cross-party view on that, and it I am pleased to note that he is still standing firm.

I think that every Member present will welcome the £100 million to protect the rainforest. Curiously and coincidentally, the Minister planned to raise the same amount from selling our forests.

Having heaped praise on our motion, the Minister then said that he would oppose it. I assumed from his praise that he would support it; perhaps he will change his mind.

The hon. Member for Penrith and The Border (Rory Stewart) made a very good speech. He spoke well about the need for a focus on biosecurity and cattle movements as a solution to the problem of bovine tuberculosis, and criticised the "Cornwall approach"—much, I think, to the consternation of the hon. Member for St Ives (Andrew George).

The hon. Member for Suffolk Coastal (Dr Coffey) welcomed the number of Labour Members attending the debate, as do I. The Chamber has been full of Labour Members today. In contrast, at one point during yesterday's debate on the important issue of the Agricultural Wages Board no Conservative Members were present, and then just one was present.

I must correct the hon. Lady on one point. Her long litany of Labour councils included my local council, Bridgend. Bridgend's recycling rate is not 33%. It was 33% at the end of the rainbow coalition of Plaid Cymru, Tories and Liberal Democrats, but when Labour took control it rose to 51%, the highest in any local authority in Wales. I suggest that the hon. Lady check her figures and ensure that they are up to date. As for the average rate in Wales, it is 45%. She might wish to correct the record at some point.

The hon. Member for St Ives said it was too early to judge this Government, as they have been in office for only 18 months. I refer him to the report by 29 wildlife and countryside charities condemning this Government's record so far.

I welcome the concept of cross-party engagement. When I was in the Government, we held two cross-party flood summits to work through the issues. That has not happened under the current Government, and I ask the Minister to invite my colleagues to attend such meetings. *[Interruption.]* He says that has happened, and I accept his assurance, but it is not my understanding.

The hon. Member for Stroud (Neil Carmichael) painted a very rosy picture of the Government's green record, but we beg to differ. He talked about the green deal; we hope for the best, but we fear the worst.

I thank the hon. Member for Warrington South (David Mowat) for acknowledging my party's leadership on groundbreaking national and international legislation and obligations, and I extrapolate from his remarks on the slow progress made in the previous decade on renewables, and especially wind, that he supports the building of more onshore wind farms to meet the renewables obligations. I must say, however, that not many of his colleagues share that view.

The hon. Member for Brighton, Pavilion (Caroline Lucas) questioned the Government's commitment to the green agenda, and she also questioned Labour's commitment; I agree with the former remark, but dispute

[Huw Irranca-Davies]

and refute the latter. She accused us and the Government of collective amnesia, but if that is the case it must be catching, as in respect of world leadership on these issues, the Climate Change Act 2008, the Marine and Coastal Access Act 2009 and much else besides were introduced under a Labour Government.

My hon. Friend the Member for Edinburgh East (Sheila Gilmore) observed that what matters is not what we say, but what we do, and I agree. She drew attention to the low ambition shown by the Government and the high ambition on recycling shown in Wales, and said that the Government had missed an opportunity.

My hon. Friend the Member for Scunthorpe (Nic Dakin) mentioned farmers' concerns about the delays in dealing with, and diminishing responsibilities of, the groceries code adjudicator, and we agree.

My hon. Friend the Member for North West Durham (Pat Glass) told Members on the Government Benches to stop obsessing about weekly bin collections and to focus instead on recycling, and she rightly expressed the concerns of her constituents about insurance for flood victims.

My hon. Friend the Member for Swansea West (Geraint Davies) has great commitment and expertise in this area, including through his work with the Environment Agency. He expressed regret about the Government's lack of ambition, which was, indeed, a general theme in the debate.

My hon. Friend the Member for Bristol East (Kerry McCarthy) picked up on the comments made from the Government Benches that this issue should not be political. However, it is political, of course, by its very nature and because it is very important.

There is a delicious irony in the phrase, "the greenest Government ever", which was uttered so easily during the coalition's fleeting embrace of the green movement. It is so easy to say, "I love you", in the midst of tender fervour. Yet the morning after come the bitter recriminations, the shame and the feeling of being used.

I know that the Minister's heart is in the right place, so let me direct the following comments to the Secretary of State, who must take personal responsibility for the actions of the Government. If they were a business, they would have been referred to trading standards by now; they would have featured on "Rogue Traders" for ripping off the British public and stealing their votes with their false and overblown promises to be the greenest Government ever.

On forests, the public saw earlier this year how the Government tried to rip them off: coalition failure; on the cuts to flood defences, wasting an opportunity for green growth and jobs, and putting at risk homes, businesses and people: failure; on finding a ban on wild animals in circuses just too difficult: failure; on relegating England to the lowest recycling targets in the UK, missing chances for jobs and new green industries: failure; on their slippy-slidey back-tracking on plans for mandatory reporting of carbon emissions: failure; on the delay to Labour's plan for universal broadband by 2012: failure; on the delays and the castration of the groceries code adjudicator, letting down farmers and the consumer: failure; on ignoring Labour's food strategy for 2030, to the consternation of the National Farmers Union and others: failure; on abolishing the Sustainable Development Commission, curtailing independent scrutiny of the Government's appalling record: failure; on achieving a green light in only two out of 16 traffic lights in the "Nature Check" report by the Wildlife and Countryside Link: failure; and on the Chancellor of the Exchequer commandeering the Government's green agenda in place of the Department for Environment, Food and Rural Affairs and then killing it: failure—abject, pitiful, supine, green growth and environmental failure. Fail, fail and fail again; there is a bit of a pattern here.

However, the Government have had success in one area. They have succeeded in splitting the Cabinet from top to toe on their green agenda, with the Chancellor boldly championing the climate-sceptics and deniers, and the Secretary of State for Energy and Climate Change pitching his shaky, leaky leadership tent in opposition. The Secretary of State for Environment, Food and Rural Affairs seems to be wholly absent from the battlefield, and after a lovely photo-shoot with a husky the Prime Minister has shot and eaten the poor creature. Since then, there has, understandably, not even been a whimper from the husky, but, more surprisingly, the incredible silence of the Prime Minister on all issues green since the election has been deafening. After a brief pre-election love-in, he never phones. Why does the Prime Minister not just admit it: the love affair is over, he was never serious anyway and it was just a fling? "Get over it" he might as well say.

This Tory-led coalition Government risk being an environmental and economic catastrophe for this country. Over the past 18 months, when we should have been using green growth to stimulate our flagging economy and to lead on the environmental agenda, as Labour did when we were in government, the Secretary of State for Environment, Food and Rural Affairs has instead allowed her Department to be steamrollered by the Chancellor and ignored by an indifferent Prime Minister. This is not a green agenda. This is a not a growth agenda. It is an agenda of despair. It is not a vision of hope for jobs and nature, but one of hopelessness. We do not have a Department driving forward on Labour's legacy, but one that is actually in reverse. In place of ambition, we see abject surrender.

Even if they have given up on green growth and the environment, at least the Conservatives can repeat their claim to be the natural party of the countryside and still get away with it, can they not? They cannot after yesterday, when they voted to abolish the Agricultural Wages Board, thus weakening protections for farm workers. There was one—just one—principled Lib Dem Member who participated fully in that debate, changed his mind, to his credit, and voted with our amendment. But the combined weight of fellow Lib Dems and Tories, with one notable exception, defeated us and they defeated farm workers. So who speaks for the countryside, for green growth and for the environment? Labour does, as it always has and always will.

I say to those on the not-so-green Benches opposite that owning large parts of the countryside is not the same as speaking for the countryside. Saying that they are green does not make them green. Talking up green growth is no substitute for making it happen with green jobs and skills, training, innovation and investment. This Government are failing. DEFRA Ministers are failing. Green growth and the natural environment will

fail with them. I say to Ministers and the Government that they should change course now and up their game, because the country now and in future generations will not forgive a Government who, at a crucial moment, walked away from the environment and from the opportunities for green growth, upon which the health and wealth of this nation depend. If they are not up to the job, they should walk away from government—we will do it for them.

6.51 pm

Richard Benyon: With the leave of the House, Madam Deputy Speaker, I will address the House again at the conclusion of this superb debate. The last comments made by the hon. Member for Ogmore (Huw Irranca-Davies) amused me greatly. They sounded desperate. They sounded as if he was in complete denial of the 13 years of failure, of which he was part. I, like my DEFRA colleagues, feel that we are in a Department that deals with emergencies. One of the emergencies we are dealing with is the great sense of failure that the previous Government imposed on the countryside and on the environment. We are having to work our socks off to repair the situation, but it is a challenge that we take and take seriously. We look forward to achieving on it in the coming months.

The Government can show leadership in protecting our environment, which is exactly what this Government are doing. However, the Government alone cannot protect our environment. We believe that having communities, business, civil society and Governments working together is likely to have the greatest impact on protecting and improving our environment. We are providing new opportunities for local people to play a bigger role in protecting and improving the environment in their areas. We have some of the world's best civil society environmental organisations to help us to protect and improve our natural environment, and we have provided the tools for them to work with us.

Caroline Lucas *rose—*

Richard Benyon: No, I will not give way.

We welcome the "Nature Check" report. It is very important that the organisations that took part in it have an edgy relationship with government. They frequently come to the Department and we work closely with them, and we will get green lights on the items as we progress. When that report was produced we had been in government for 15 months, dealing with abject failures created by the hon. Member for Ogmore and the Labour party in government, for which he has to take responsibility.

Let me deal with some of the excellent points made in the debate. The hon. Member for Edinburgh East (Sheila Gilmore) was missing the point. Just dealing with recycling does not deal with the whole waste problem; we need to look at this the whole way up the waste hierarchy. Unlike her Government, we will introduce proposals to ban wood from landfill next year.

I compliment my hon. Friend the Member for Penrith and The Border (Rory Stewart) on a customary visionary speech. The leadership he is giving in his community on broadband, on local housing initiatives and on improving mobile coverage for his constituents is matched by this Government's commitment to do the same for rural areas right across this country.

The hon. Member for Scunthorpe (Nic Dakin) again showed that Labour Members just do not get the whole waste issue. I urge him to look at our waste review and see what we are achieving.

My hon. Friend the Member for Suffolk Coastal (Dr Coffey) made an excellent speech in which she pointed out the failure of Labour councils. It is councils that deliver and it is coalition party councils that are achieving.

Huw Irranca-Davies: Will the Minister give way?

Richard Benyon: I shall not give way because the hon. Gentleman has had his time. *[Interruption.]*

When we consider flooding, the constituency of my hon. Friend the Member for Suffolk Coastal is in my head because it has proved that there are other ways— *[Interruption.]*

Madam Deputy Speaker (Dawn Primarolo): Order. I am sorry to interrupt the Minister, but there is far too much noise in the Chamber, including a large number of private conversations. The Minister must be heard without his having to bellow at the top of his voice.

Richard Benyon: Thank you, Madam Deputy Speaker.

There have been some excellent initiatives all around the country, not least in my hon. Friend's constituency, that have shown how we can unlock more money for flood relief and coastal erosion resilience. I commend the points she made. The total environment concept that we are rolling out around the country is showing that we can work with local government, other organisations and the wider DEFRA family to achieve a better result for the rural communities she represents.

I remind the hon. Member for North West Durham (Pat Glass) that when her party was in power it was selling off forests at quite a dramatic rate with very little protection for public access. She said that we have rejected the Pitt report, but nothing could be further from the truth: we have implemented all but one of its recommendations and I had a meeting on that recommendation today.

I appreciated the contribution of my hon. Friend the Member for St Ives (Andrew George). There is much that is consensual about this debate although it might not feel like it at this precise moment. My right hon. Friends and I had a meeting with Sir John Beddington when we took office and he told us that we had to do something that is hard for politicians to do—look beyond the horizon of four or five years that we are accustomed to looking at in the electoral cycle. What is required is a horizon shift to deal with the possible storm that could be approaching from a shortage of energy, water and food. That requires initiative, vision and a proper approach to these issues; that is what we are doing.

The hon. Member for Swansea West (Geraint Davies) made a fascinating speech. It is good to see that deficit denial is alive and well and living in Swansea. What he and others fail to understand is that sustainable development is now mainstream in government; it is not parked in some organisation that is peripheral—it is central to what we do.

I appreciate the comments of my hon. Friend the Member for Stroud (Neil Carmichael). He is right that what we are looking for is joined-up policies across government. The benefits of localism come from an

[Richard Benyon]

understanding not just in silos, as it was considered in the past, but with support from across government to the benefit of constituents.

I hope that the scepticism of the hon. Member for Brighton, Pavilion (Caroline Lucas) about the green investment bank will wither as we introduce it and she sees its benefits for new green technologies. She talked about business as usual, but this Government are not about business as usual on green technologies. This is about a horizon shift and taking a new approach.

Caroline Lucas: Will the Minister give way?

Richard Benyon: I do not have time—I apologise.

My hon. Friend the Member for Warrington South (David Mowat) made an excellent point about the failures of the past that have put us 25th out of 27 in the EU on recycling. We have to improve on that. People ask what our ambition is: it is for a zero-waste economy, which is a high ambition indeed.

The hon. Member for Bristol East (Kerry McCarthy) talked about dark conspiracies, but I assure her that they do not exist. She should move on from that idea and stop watching those programmes.

Mr Alan Campbell (Tynemouth) (Lab) *claimed to move the closure (Standing Order No. 36).*

Question put forthwith, That the Question be now put.

Question agreed to.

Question put accordingly (Standing Order No. 31(2)), That the original words stand part of the Question.

The House divided: Ayes 222, Noes 302.

Division No. 378] **[6.59 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Dakin, Nic
Danczuk, Simon
David, Mr Wayne
Davidson, Mr Ian
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Elliott, Julie
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Francis, Dr Hywel
Gapes, Mike
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Irranca-Davies, Huw
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Rotheram, Steve
Roy, Mr Frank
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Owen
Stringer, Graham
Stuart, Ms Gisela

Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Phil Wilson and Yvonne Fovargue

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Harper, Mr Mark
Harris, Rebecca
Hart, Simon
Harvey, Nick
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howell, John
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lefroy, Jeremy
Leigh, Mr Edward
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Luff, Peter
Lumley, Karen
Macleod, Mary
Maynard, Paul
McCartney, Jason
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark

Stanley, rh Sir John	Walker, Mr Charles
Stephenson, Andrew	Wallace, Mr Ben
Stevenson, John	Walter, Mr Robert
Stewart, Bob	Ward, Mr David
Stewart, Rory	Watkinson, Angela
Streeter, Mr Gary	Weatherley, Mike
Stride, Mel	Webb, Steve
Stuart, Mr Graham	Wharton, James
Stunell, Andrew	Wheeler, Heather
Sturdy, Julian	White, Chris
Swales, Ian	Whittaker, Craig
Swayne, rh Mr Desmond	Whittingdale, Mr John
Swinson, Jo	Willetts, rh Mr David
Syms, Mr Robert	Williams, Mr Mark
Tapsell, rh Sir Peter	Williams, Roger
Teather, Sarah	Williams, Stephen
Thurso, John	Williamson, Gavin
Tomlinson, Justin	Wilson, Mr Rob
Tredinnick, David	Wollaston, Dr Sarah
Truss, Elizabeth	Wright, Simon
Turner, Mr Andrew	Young, rh Sir George
Tyrie, Mr Andrew	Zahawi, Nadhim
Uppal, Paul	**Tellers for the Noes:**
Vaizey, Mr Edward	**Bill Wiggin and**
Vickers, Martin	**Greg Hands**

Question accordingly negatived.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

HEALTH CARE AND ASSOCIATED PROFESSIONS

That the draft Medicines Act 1968 (Pharmacy) Order 2011, which was laid before this House on 14 July, be approved.—*(Angela Watkinson.)*

Question agreed to.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith (Standing Order No. 119(11)),

FINANCIAL INTERESTS OF EUROPEAN UNION (PROTECTION)

That this House takes note of European Union Documents No. 11055/11 and Addendum, relating to the Communication from the Commission on the Protection of the Financial Interests of the European Union by Criminal Law and by Administrative Investigations: An Integrated Policy to Safeguard Taxpayers' Money; and No. 12141/11 and Addendum, relating to a Communication from the Commission on its Anti-Fraud Strategy; recognises that the UK has a strong interest in preventing criminal activity against EU funds; recalls the Government's constructive participation in ongoing negotiations to improve the operational efficiency of the European Anti-Fraud Office, OLAF, and to strengthen its effectiveness; notes that both documents set out initial orientations and that any more detailed, future proposals should be considered on their merits with clear evidence of necessity; emphasises the importance of fully respecting different criminal justice systems within the EU, while pursuing effective cooperation to combat fraudulent use of EU funds; and supports the Government's ongoing efforts to ensure the effective protection of the EU's financial interests.—*(Angela Watkinson.)*

Question agreed to.

Mike Gapes (Ilford South) (Lab/Co-op): On a point of order, Madam Deputy Speaker. I seek your advice. BBC television news this evening reported that at 12 o'clock tomorrow the Secretary of State for Health will announce the closure of accident and emergency and maternity services at King George hospital in my constituency. We have campaigned against that for years, and the Secretary of State should at least have had the courtesy to inform the local Members of Parliament, including the Secretary of State for Work and Pensions, and should come before the House to make such a profound statement. Have you had any advice from the Department that the Secretary of State intends to come before the House to make such an announcement?

Madam Deputy Speaker (Dawn Primarolo): The Chair has received no notification of any such statement. Strictly speaking, the matter is not one for the Chair, or for today's business, but the hon. Gentleman has put his point on the record, and I am sure he will pursue it vigorously. Ministers on the Treasury Bench will have heard his comments.

PETITIONS

Social Care for Older People

7.16 pm

John Healey (Wentworth and Dearne) (Lab): I wish to present a petition from the Rotherham pensioners action group, led by the group's chair, Mr Keith Billington of Foster road, Wickersley. I have a petition in similar terms with more than 500 signatures gathered by the group over the weekend of the Rotherham show last month. The petitioners want a better, fairer system of care for the future. They are worried about the crisis in care caused by big Government cuts in funding as pensioners see services cut, charges increase, and support restricted to those with the most critical care needs.

The petition states:

The Petition of Rotherham Pensioners' Action Group,

Declares that the Petitioners are concerned about social care for older people.

The Petitioners therefore request that the House of Commons urges the Government to implement a fair and equitable system of care for the elderly, without imposing a financial burden on those requiring care.

And the Petitioners remain, etc.

[P000969]

Send our Sister to School Campaign

7.17 pm

Ian Swales (Redcar) (LD): In 2000, world leaders promised universal education by 2015. Progress has been made, but with fewer than four years to go 67 million children are still missing out on school, the vast majority of whom are girls. I am grateful to the pupils of Overfields primary school, Middlesbrough for bringing this to my attention in the most colourful way.

The petition states:

The Petition of pupils of Overfields Primary School, Middlesbrough,

Declares that the Petitioners support the Send our Sister to School Campaign which aims to give girls the same chance as boys to benefit from an education and that the Petitioners support the international agreement to get all children into education by 2015.

The Petitioners therefore request that the House of Commons urges the Government to raise the commitment to get all children into education by 2015 at the G20 summit in November.

And the Petitioners remain, etc.

[P000972]

Liverpool Coastguard Station

7.18 pm

Bill Esterson (Sefton Central) (Lab): The staff of and residents around Liverpool coastguard station—otherwise known as Crosby coastguard station—are trying to keep it open. In support of the petition are 51,000 names on a similar petition, which I have with me in a box. The petitioners would like the maritime operation centre to be hosted at Crosby as a means of keeping the station open, which would save the Government a significant amount of money.

The petition states:

The Petition of residents of Merseyside,

Declares that the closure of Liverpool Coastguard Station would result in the loss of vital local knowledge and a reduction in the efficiency of rescues of people in difficulty along our coastline and at sea.

The Petitioners therefore request that the House of Commons urges the Government to take steps to ensure that Liverpool Coastguard Station remains open.

And the Petitioners remain, etc.

[P000973]

Trade Union Officials (Public Funding)

Motion made, and Question proposed, That this House do now adjourn.—*(Angela Watkinson.)*

7.20 pm

Mr Aidan Burley (Cannock Chase) (Con): The general public could be forgiven for thinking that the funding of trade unions in this country was a relatively simple affair whereby employees who wish to join a union pay their subs and receive the benefits of their membership, and then out of those subs, the unions fund their activities, their offices and their costs, including the cost of the salaries of those full-time officials who spend all day on union activity rather than working on their normal job. Not so, however.

Over the 13 years of the last Labour Government—a Labour Government funded to the tune of £10 million a year by the unions—an insipid, backhanded and frankly dodgy system emerged which ensures that millions of pounds a year of taxpayers' money is now being used to fund political union activity. In simple terms, the taxpayer is directly funding those organising strikes and chaos, and also indirectly funding the Labour party; and I think that is wrong.

Mr Russell Brown (Dumfries and Galloway) (Lab): Could the hon. Gentleman describe to the House his interpretation of a trade union official, because that is fundamentally different from what he is stating? There is a difference between a trade union official and a trade union representative.

Mr Burley: If the hon. Gentleman had given me more than a minute to get going, I would have come to that point. To answer his question directly, my contention is very simple: any activities that people undertake on behalf of trade unions should be funded by the trade unions and not by the taxpayer.

Some excellent research by the widely respected TaxPayers Alliance in September last year revealed some absolutely startling results. The TPA submitted freedom of information requests to 1,253 public sector organisations, including councils, Government Departments, primary care trusts, foundation trusts, ambulance services, fire services, and all quangos with more than 50 staff. It found the following to be the case. In 2010, trade unions received £85.8 million in total from public sector organisations. That £85 million is made up of £18.3 million in direct payments from public sector organisations—mainly the union modernisation and union learning funds—and an estimated £67.5 million in paid staff time: the subject of this debate. That total is up by 14% from 2008-09, when trade unions received just £76.1 million from public sector organisations. In 2009-10, the Department for Business, Innovation and Skills alone gave unions £15 million in direct subs. In 2009-10, total public funding for the trade unions was 20% more than the combined contributions to the Labour party and the Conservative party. Finally, in 2009-10, 2,493 full-time equivalent public sector employees worked for trade unions at taxpayers' expense.

Alec Shelbrooke (Elmet and Rothwell) (Con): It may interest Members to know that in Leeds city council a white paper was brought forward by Councillor Alan

[Alec Shelbrooke]

Lamb, a local small business entrepreneur, who said that it was outrageous that the council was spending £400,000 a year of taxpayers' money on union officials. Does my hon. Friend believe it was right that that was voted down by Labour councillors who received money to get elected to Leeds city council in the first place? Is that not a personal and prejudicial interest?

Mr Burley: My hon. Friend makes an excellent point. I find it astonishing that, in this place and elsewhere, anybody with an interest is required to declare it, unless it is that they are a member of a union that funds them and their local constituency party.

Robert Halfon (Harlow) (Con): I should declare an interest: I am a proud trade unionist. I am a member of Prospect. Margaret Thatcher and Norman Tebbit were also proud trade unionists. Although I agree with my hon. Friend's sentiment, does he not agree that despite the abuse, there are many moderate trade unions around the country that do a great job in representing people's interests? A third of trade union members vote Conservative and Conservatives should do all that they can to build bridges with moderate trade unions.

Mr Burley: My hon. Friend makes a good point. Few would take issue with unions working on behalf of their members in Departments or other public bodies in their own time and with union funding. My question to him and to the House is: why are taxpayers funding that work?

I want to focus on the fact that 2,493 full-time equivalent public sector employees worked for trade unions at the taxpayers' expense in 2009-10. The TaxPayers Alliance has even broken down those employees by sector: 813 worked in local authorities, 630 in quangos, 611 in Departments, 130 in foundation and acute trusts, 96 in primary care trusts, 43 in NHS mental health trusts and 41 in fire services. My problem with those astonishing figures is simple: why should we spend hard-earned taxpayers' money on a huge subsidy to the unions? Full-time trade union officials should be paid for by union members, not by the taxpayer.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): I hope that the hon. Gentleman gets the opportunity to make this speech in front of the steel workers whom I have the privilege to represent, because the regulations also apply to the private sector. The Government, who are trying to provoke public sector strikes, should be more fearful of small and medium-sized enterprises in the private sector that are not unionised, where the incidents of wild-cat strikes are increasing. The Government need unions on side to deal with the vast amounts of people and to keep the costs of human resources down. Adjournment debates such as this provoke poor industrial relations.

Mr Burley: I think that the hon. Gentleman will come to regret that question—I am not even sure what his question was. I simply point out that what goes on in the private sector does not bother me because it involves private money. It is public money that I am talking about.

Trade unions are an important part of society and of Britain's big society. However, the support that they get from the taxpayer has got way out of hand. Few would take issue with unions working on behalf of their members, but they must do it in their own time and with union funding. Why are the public paying for it?

Several hon. Members *rose—*

Mr Burley: I will make a little progress.

In the six months to March, the unions had enough money to give almost £5 million of donations to the Labour party, while paying their leaders up to £145,000 a year, which is what the National Union of Rail, Maritime and Transport Workers boss, Bob Crow, receives. In fact, 38 trade union general secretaries and chief executives receive remuneration of more than £100,000. To name but one, the former joint general secretary of Unite, Derek Simpson, received more than £500,000, including severance pay of £310,000. That is in addition to the fact that the trade unions get £18.3 million— *[Interruption.]*

Madam Deputy Speaker (Dawn Primarolo): Order. Although Members on both sides of the House clearly have strong views on this subject, I remind them that this Adjournment debate is being televised. The behaviour of Members does not always reflect well on them. The hon. Member who has secured this Adjournment debate is entitled to be heard.

Mr Burley: Thank you, Madam Deputy Speaker. I hope that all Members will agree that I am trying to be quite generous in taking interventions, but I have only 15 minutes in which to speak.

In addition to what I said earlier, the trade unions currently get £18.3 million in direct payments from the taxpayer every year through the union modernisation fund and the union learning fund, so they have nearly £20 million in their bank accounts before we factor in any time off at the taxpayer's expense. Surely they can cover their costs with a £20 million annual grant plus all their subs.

Guy Opperman (Hexham) (Con): I, too, wish to stress that I support the unions, and I met my union representative today for an hour in relation to certain matters. However, what does my hon. Friend feel the money—the £85 million—could be spent on?

Mr Burley: The very simple answer to that is front-line services, not full-time union officials.

The legal background to the matter is that under section 168 in part III of the Trade Union and Labour Relations (Consolidation) Act 1992, a union representative is permitted paid time off for union duties. According to ACAS, those duties relate to anything including the terms and conditions of employment, the physical conditions of workers and matters of trade union membership or non-membership. However, under the same Act, any employee who is a union representative or a member of a recognised trade union is also entitled to unpaid time off to undertake what are called "union activities", as distinct from duties. As defined by ACAS, union activities can include voting in a union election or attending a meeting regarding union business, but there

is no statutory requirement to pay union representatives or members for time spent on union activities. *[Interruption.]* The hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) is chuntering from a sedentary position, but I cannot hear what he is saying.

Union duties and union activities both fall under the remit of a union representative. Some union representatives are therefore currently being paid for undertaking both activities and duties, and I think that is wrong.

Ian Murray (Edinburgh South) (Lab) *rose—*

Phil Wilson (Sedgefield) (Lab) *rose—*

Mr Burley: I will give way in a minute.

In addition, union learning representatives are entitled to paid time off for duties including analysing learning or training needs, providing information about learning and training matters, arranging learning or training or promoting the values of learning and training. I ask the hon. Member for Middlesbrough South and East Cleveland, who is chuntering, is not all that the job of the human resources department?

In 2004—*[Interruption.]* Just be quiet. In 2004, the Labour Government made a commitment to boost the number of union learning representatives in the work force to 20,000, a threefold increase. The upshot is that a significant number of union representatives—nearly 2,500 full-time equivalents—are fully paid for by public funds. That means that the trade unions themselves do not bear their own representation costs.

Phil Wilson: Speaking as somebody who in the early 1980s was a member of the Civil and Public Services Association and received facility time to work as a trade union representative, may I say that where I worked was 90%-plus union organised, and we did not have any strikes? We had a great working relationship in the building, because we could sit down and talk through problems with the management, who enjoyed it. If we started where the hon. Gentleman wants, we would end up where part of my union ended up. In 1984, the CPSA was banned from GCHQ—

James Wharton (Stockton South) (Con): On a point of order, Madam Deputy Speaker. Should Opposition Members declare their interest if they have received union funding in their capacity as Members of this House, or for political campaigns, before making interventions? I would be grateful if you could clarify the rules on that matter.

Madam Deputy Speaker (Dawn Primarolo): Mr Wharton, I am sure that everybody is aware of what interests they should be declaring when they participate in any debate. That applies to an Adjournment debate, which is normally the property of the Member who has secured it.

Mr Burley: I have forgotten part of the point that the hon. Member for Sedgefield (Phil Wilson) made, but I simply say that the unions are entitled to do what they like, and I am sure a lot of what he did was very good work. My point is that they should do it on their own time and it should be paid for by themselves, not by the taxpayer.

Anna Soubry (Broxtowe) (Con): Will my hon. Friend give way?

Mr Burley: I will in just one minute.

The upshot of all the extra money provided to the unions is that a huge amount of money is freed up, whether from the direct grants or the union fees, that the unions can use on political campaigns. If their other costs are paid at the taxpayer's expense, the unions can use the rest of their income for political activities.

Ian Murray *rose—*

Julie Elliott (Sunderland Central) (Lab) *rose—*

Mr Burley: I will not give way.

I would be grateful if the Minister could address the distinction between paid time off for union duties and unpaid time off for union activities. What are the Government doing about union officials who play the system and use their paid time off for political activities?

Further, are the Government planning to mandate public bodies to record more accurately what time is taken off for political activities, which should not be funded by the taxpayer? We know from a written answer from the Department for Communities and Local Government that public bodies do not even bother recording union time accurately.

Anna Soubry: Will my hon. Friend give way?

Mr Burley: I will just read this out and then give way.

My hon. Friend the Member for Witham (Priti Patel) asked the Secretary of State for Communities and Local Government

"if he will issue guidance to local authorities on the use of (a) facilities, (b) resources and (c) staffing time for trade union duties and activities."

The Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Bromley and Chislehurst (Robert Neill), replied:

"The TUC have estimated that there are 200,000 union representatives in workplaces across the United Kingdom. Information on the amounts spent on paid time"

on

"the provision of facilities for trade union officials in the public sector is not widely recorded or transparent...Estimates have suggested that...'facility time' is more prevalent in the civil service than the rest of the public sector and the private sector, with civil service departments spending, on average, 0.2% of annual pay...on facility time, compared to 0.14% in the"

whole public sector and just

"0.04% in the private sector...We would actively encourage local authorities to reduce the amount of facility time to the norm of private sector levels."—[*Official Report*, 25 October 2011; Vol. 534, c. 126W-27W.]

Anna Soubry: I hope that as a shop steward I represented my members with integrity, vigour and some success. I never took a single penny piece from the public purse. Does my hon. Friend, who has so commendably introduced this Adjournment debate, agree that unions would advance their cause if they stopped taking public money? If they did that, more people might join them because they would not be seen as extensions of the Labour party.

Mr Burley: My hon. Friend is entirely right. That is the point that I was trying to make. My direct question to the Government is this: are they willing to go further and change the 1992 Act, so that trade unions should fund all their activities from their subs? There should be no taxpayer subsidy for those who take time off to spend on union activity.

Jim Sheridan (Paisley and Renfrewshire North) (Lab) *rose—*

Ian Murray *rose—*

Mr Burley: I will not give way.

That would be many people's preference. By way of an example, the excellent, independent and non-taxpayer funded campaigning website order-order, or the Guido Fawkes blog, has been highlighting the practice of paying union officials out of the taxpayer purse. Following its campaign, full-time taxpayer-funded trade union officials have become known as "Pilgrims" in the media, after Paul Staines exposed one such full-time union rep named Jane Pilgrim as a full-time trade union organiser working in the NHS for Unison. She came to public attention in 2011 after criticising the Government's health policies. Despite being billed as a nurse, she was found to be a full-time trade union official, being paid £40,000 by the hospital. She is now under investigation by both St George's hospital and Unison for running a private health consultancy—called The Pilgrim Way—on the side, creating a conflict of interests.

As the website states:

"There is no justification for the taxpayer paying a lobbying organisation to fight for an unsustainable mess in the interests of a vocal minority group. We don't pay the arms dealers and the tobacco lobbyists' staffing bills".

Let us consider this classic example, which was flagged up by none other than the black country's *Express and Star*:

"Judy Foster…is employed as an administration officer by the fire service…But for the past seven years the Labour councillor has been devoting all her working time to Unison, representing 280 fire workers…The fire service has now insisted that Councillor Foster…spends half her…time…on fire service duties and half with the union…But Unison has appealed against the offer and says her union work should be full time and funded entirely by the taxpayer."

My question is why and on what grounds?

Jim Sheridan: I thank the hon. Gentleman for giving way. As a proud member of Unite the Union and the chair of the Unite parliamentary group, I am inviting the hon. Gentleman to come along to our group and tell us where we are going wrong. One of the main factors in a trade union official's job is identifying and preventing health and safety problems in the workplace—not the office, the workplace. Has he factored in any of the figures from the TaxPayers Alliance?

Mr Burley: My direct answer to the hon. Gentleman is to ask what he thinks the human resources department or the Health and Safety Executive are for. Public sector organisations have those people, so there is total duplication.

Ian Murray *rose—*

Jim Sheridan *rose—*

Mr Burley: The hon. Member for Paisley and Renfrewshire North (Jim Sheridan) just asked what has gone wrong, and I will tell him. The *Express and Star* continued:

"Councillor Foster, who was elected in 1998, already picks up £9,300 in allowances from Dudley Council along with £14,475 as vice chairman of the West Midlands Police Authority. With her £28,000 job, it brings her combined taxpayer-funded salary and allowances to more than £51,000."

It is no wonder that a YouGov poll in conjunction with the TaxPayers Alliance shows more than half the country would like to see an end to the controversial practice of public sector-funded trade union officials.

Jason McCartney (Colne Valley) (Con): I, too, declare an interest as I am the former father of the National Union of Journalists chapel at ITV Yorkshire in Leeds. I and my hon. Friend the Member for Harlow (Robert Halfon) attended the TUC last month in London. Does my hon. Friend the Member for Cannock Chase (Mr Burley) find it surprising that while representing the union members at ITV Yorkshire in Leeds, the fat cat boss at ITV, who was slashing jobs while taking millions in pay, shares and perks, has now been tasked by the Leader of the Opposition with reforming the Labour party?

Mr Burley: I would love to say that I was surprised, but after revising for this debate, I am not surprised by anything anymore.

It is my simple contention that trade unions should pay for representation within public sector organisations through subscriptions. It is unfair that taxpayers should have to shoulder that burden. Unions raise substantial sums through membership subscriptions. For example, subs in the Home Office alone came to more than £2 million in 2009-10. Programmes that give taxpayers' money to trade unions under the guise of work force improvement should also be scrapped. This includes the union modernisation fund and the union learning fund.

Will the Minister explain what plans the Government have to end full-time trade union work in the public sector? Will he pledge to end full-time representatives who spend 100% of their time on trade union work while being paid their salary by the taxpayer? Will he mandate all public bodies to record accurately time spent on both union duties and activities? Will the Government go one step further? Employment legislation currently requires employers to make available a reasonable amount of time for trade union representatives to carry out their duties. Will he change that so that all time taken off for trade union activities is billed back to the union so that the taxpayer is no longer funding their work?

Finally, given that the unions start the financial year with a £20 million grant from the taxpayer, are the Government looking at reviewing, paring down or abolishing the union modernisation fund and the union learning fund? The taxpayers of this country are currently bankrolling the unions. The equivalent of 2,500 full-time officials are being paid for by the taxpayer, not to do the job of representation but to undertake full-time campaigning activities that should be funded by the unions. This is at a cost of £86 million a year to the taxpayer, with 170,000 days off for union activities and £23 million of perks such as photocopying and phone

calls. In an age of austerity, that £86 million is the equivalent of the expenditure of the Office of Fair Trading. Taxpayers expect their money to be spent on public services, not union services. We can no longer afford this Spanish practice, and I call on the Minister to end it.

7.43 pm

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): There was I thinking that this was going to be a quiet conversation with my hon. Friend the Member for Cannock Chase (Mr Burley) in the traditional calm of the Adjournment debate slot, but I was wrong. I congratulate him on securing the debate and the robust way in which he presented his argument.

In the short time I have, I shall try to clarify the Government's position. First, we need to recognise that employment legislation requires employers to make available a reasonable amount of time off for trade union representatives to carry out their trade union-related duties. There are nine areas of statute where union representatives have rights to paid time off to perform their duties. These cover areas such as representation, informing and consulting, collective redundancy, learning and health and safety. There is a reason for this. There is a clearly defined framework for consultation and negotiation between managers and employees to support good employee relations.

There is a cost to that, however. The Department for Business, Innovation and Skills has estimated that paid time off for union duties costs employers £400 million annually—0.07% of the total annual pay bill—over half of which, £225 million, fell to public sector employers, with £175 million falling to private sector employers. The Minister for the Cabinet Office and I agree that it is important that the right balance is found between effective representation of trade union members and value for money for the taxpayer.

Robert Halfon: Of course we understand that there is abuse, but does my hon. Friend accept that there are neutral unions that use facility time constructively? For example, the First Division Association uses facility time to resolve workplace disputes and to help families of Foreign Office staff relocate overseas. That is valuable work and we should be grateful that the FDA does it. I say that only to make the point that not all unions are made up of the Bob Crows described today.

Mr Hurd: I accept my hon. Friend's valuable point, but there is clearly a case for reviewing whether we have the right balance.

My hon. Friend the Member for Cannock Chase asked a number of questions that I would like to try to address in the time available, so I am afraid that I will have no time for interventions. He asked about the distinction between paid time off for union duties and unpaid time off for union activities, and asked what the Government were doing about union officials who, in his words, "play the system" and use their paid time off for political activities. The ACAS code of practice on time off for trade union duties and activities provides a detailed framework for those matters. It sets out examples of trade union duties that should attract reasonable paid time off and examples of trade union activities that can attract reasonable unpaid time off. A review of current practice is under way in the civil service, but, anecdotally, we believe that many Departments, if not most, currently give paid time off for such trade union activities where reasonable unpaid time off may be more appropriate.

My hon. Friend then asked whether the Government were planning to mandate public bodies to record more accurately which time is taken off for political activities that should not funded by the taxpayer. He will be aware that the Minister for the Cabinet Office announced at the Conservative party conference that the Government intend to consult on ensuring transparency about union facility time for which Departments—and ultimately the taxpayers—are paying. We will publish information on civil service trade union representatives and the amount of paid time that is spent on union work, as well as the overall percentage of the pay bill for which this accounts.

Tom Blenkinsop: Will the Minister give way?

Mr Hurd: I said that I would take no more interventions because of the time.

The central point that my hon. Friend the Member for Cannock Chase made, about the 1992 Act, is a matter for Ministers from the Department for Business, Innovation and Skills to answer. However, I assure him that I will make them aware of the points that he made and ask them to write to him directly.

In answer to the list of questions that my hon. Friend asked at the end of his speech—about Government plans to end taxpayer-funded full-time trade union work in the public sector, end full-time representatives and require transparency about the costs of trade union representatives—the Minister for the Cabinet Office also announced at the Conservative party conference that the Government intend to consult the civil service trade unions on the following propositions. We will consult on introducing a cap on the amount of facilities time that Departments can offer, to bring it into line with the statutory requirements. We will consult trade unions on the practice of allowing trade union representatives to spend 100% of their time on trade union work paid for by the civil service.

Grahame M. Morris (Easington) (Lab): Will the Minister give way?

Mr Hurd: I will not, out of courtesy to my hon. Friend who secured the debate, as I want to try to answer his questions.

We do not think it reasonable for the civil service to pay people purely to do union work. It is arguably impossible for them to represent the views of the staff in their Department adequately if they are not embedded in its work. In some circumstances, Departments go beyond the requirements of the law by giving paid time off for trade union representatives to take part in internal trade union activities, such as executive group meetings, annual conferences and recruitment meetings. To address that we will consult trade unions about any practice of paying for such trade union activities, with a view instead to enabling employees to take reasonable unpaid leave, as required in statute. In order to ensure transparency about the union facility time for which Departments are paying, we will publish information relating to civil

[Mr Hurd]

service trade union representatives and the amount of paid time spent on union work, as well as the overall percentage of the pay bill for which this accounts.

As for whether we would go further with employment legislation, I have said that BIS Ministers would respond more fully to that point. However, there are no plans for the law on trade union facility time to be changed specifically for the public sector or otherwise. A reasonable amount of paid time off can offer value for money for the taxpayer. For example, it can minimise working time lost owing to disputes and accidents at work. However, it is important that the Government ensure that public sector employers manage the paid time off that they grant their union representatives effectively to deliver those potential benefits, which are the justification for spending taxpayers' money.

In answer to the last point that my hon. Friend made, about the grant for the union modernisation fund, there are currently no plans to review the Government's existing commitment to the union learning fund, as set in "Skills for Sustainable Growth".

In conclusion, as I have said previously, it is important that employees are represented fairly by union officials. However, in the current financial climate, it is right that the vital balance is found between effective representation of trade union members and value for money for the taxpayer. The measures proposed by the Minister for the Cabinet Office will address the current burden on the taxpayer, while wider transparency measures will ensure that other public sector organisations offer value to the taxpayer. It is essential that we achieve a fair balance on behalf of the taxpayer, and I am happy to keep my hon. Friend updated—

7.50 pm

House adjourned without Question put (Standing Order No. 9(7)).

House of Commons

Thursday 27 October 2011

The House met at half-past Ten o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

BANK OF IRELAND (UK) PLC BILL

Bill read the Third time and passed.

Oral Answers to Questions

BUSINESS, INNOVATION AND SKILLS

The Secretary of State was asked—

Royal Mail

1. **Michael Connarty** (Linlithgow and East Falkirk) (Lab): What recent progress he has made on securing private sector investment in Royal Mail. [76849]

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): As I made clear during the passage of the Postal Services Act 2011, we are taking a staged approach to its implementation. Before decisions can be taken on private sector investment, the regulatory regime must be reformed and the Government must secure approval to take on Royal Mail's historical pension deficit and restructure its balance sheet. Progress is being made in these areas, alongside Royal Mail's progress with its modernisation plan.

Michael Connarty: I thank the Minister for his reply. Will he therefore tell the House exactly how much the Government value the assets in the Post Office pension fund at this moment, how much will be transferred to the Treasury and what will be left in the assets of the pension fund thereafter?

Mr Davey: The hon. Gentleman will know, having been in the House a long time, that we would not make a valuation while working with the European Commission to secure state aid clearance. Until we get that, those sorts of calculations would be completely inappropriate.

Lorely Burt (Solihull) (LD): As part of the deregulation process prior to the sale, we can expect a reasonable rise in stamp prices, which are currently the second lowest in Europe, despite the fact that we have the highest delivery specification. Does my hon. Friend agree that it is ironic that the Labour party now criticises us for remedying the problems that it created through its regulation procedures?

Mr Davey: During the passage of the Postal Services Act, we heard a lot of criticism of the regulatory regime that the Labour party put in place. We put in a much stronger regime, which has been greatly welcomed.

Manufacturing

2. **Mr Marcus Jones** (Nuneaton) (Con): What steps he is taking to support manufacturing. [76850]

14. **Nigel Mills** (Amber Valley) (Con): What steps he is taking to support manufacturing. [76867]

15. **Graham Evans** (Weaver Vale) (Con): What steps he is taking to support manufacturing. [76868]

The Secretary of State for Business, Innovation and Skills (Vince Cable): As part of rebalancing the British economy, we are taking steps to support manufacturing in the UK by encouraging high levels of business, innovation, investment, exports and technical skills. I set out our strategy for achieving that in a talk to Policy Exchange yesterday.

Mr Jones: From recent discussions with several representatives of our largest manufacturing companies, it is apparent that they are now looking actively to bring more UK supply manufacture back to our country, but they seem to question whether some of our small and medium-sized enterprises have sufficient capacity or investment to meet the growth in demand in this area. What can the Government do to help facilitate the right conditions to help some of our SMEs meet this increasing demand?

Vince Cable: The hon. Gentleman is right to say that there is a supply chain issue. We are hearing good news from the automobile and aerospace sectors, with the large primes, such as Tata, Rolls-Royce and Airbus, making large investments. However, we also need to attract back the supply chains, which is already happening, particularly in the car industry. We have bodies that co-operate with industry in both those sectors: the Minister of State, Department for Business, Innovation and Skills, my hon. Friend the Member for Hertford and Stortford (Mr Prisk) chairs one of them and I chair the other. We are therefore working actively with industry to attract the supply chains back to the UK.

Nigel Mills: Will the Secretary of State join me in congratulating the work of the high-value manufacturing technology and innovation centre, which has had a display in Parliament for the past two days, and especially a business in my constituency, Advanced Composites, on the work that it does as part of that? Does he agree with the strategy and aims that it has set out, especially on having a strategy for how we can get manufacturing back to being 20% of gross domestic product by 2020?

Vince Cable: Yes, we are fighting a historical trend, because, under the previous Government, and certainly over the past decade, manufacturing contracted as a share of the economy more rapidly than in any other

western country and we lost a third of the work force. We have to retrieve that, and one of the main ways of doing so is through promoting innovation. The first innovation centre, as my colleague rightly points out, is the manufacturing technology innovation centre, which has seven campuses. Composites is one of those core technologies being developed, which I very much welcome.

Graham Evans: Does my right hon. Friend agree that if we are effectively to support manufacturing, we need to ensure that our future work force have the necessary skills? Will he join me in welcoming the approval of Sandymoor free school in my constituency, which is receiving support from the nearby Daresbury science and innovation campus and which will help to achieve this goal?

Vince Cable: Skills are obviously critical, and no doubt my hon. Friend the Minister for Further Education, Skills and Lifelong Learning will say more about the big increase in the number of apprenticeships shortly. I am sure that the school in my hon. Friend's constituency will contribute to this at an early stage of development. Apprentices are a real success story and we are certainly going to build on it.

Mr Dennis Skinner (Bolsover) (Lab): One way to increase manufacturing growth would undoubtedly be for the Business Secretary to turn his attention to Markham Vale. I cadged about £32 million off the then Chancellor of the Exchequer in the Labour Government to flatten the pit tips and build a vast industrial estate straight off junction 29A on the M1, and what has happened? There have been grey, miserable clouds hanging over Markham Vale ever since this tin-pot Government came to power. Why don't you pull your finger out? We were spending money while the sun was shining; there is none being spent now.

Vince Cable: I would certainly be happy to visit Markham Vale at some point and talk those things through with the hon. Gentleman. His area has a local enterprise partnership and has had an opportunity to put in a bid for an enterprise zone or the regional growth fund. I do not know what it has done, but I am certainly happy to talk to him.

I know that the hon. Gentleman is a long-standing Member and I am sure that he has followed the changes in attitudes towards manufacturing in this House under different Governments. He will be interested in the leader of the Labour party's new distinction between "predators" and "producers". What is troubling a lot of us on the Government Benches is why a party of dinosaurs is so opposed to predators. Perhaps the hon. Gentleman can explain.

Mr David Hanson (Delyn) (Lab): Companies in my constituency that manufacture construction products, quarry materials for concrete or build materials for the construction industry have very much welcomed the plan announced by my right hon. Friend the Member for Morley and Outwood (Ed Balls) to bring forward infrastructure projects in order to increase employment and build manufacturing capacity in the United Kingdom. Given falling growth and rising unemployment, would it not be prudent for the Business Secretary to support that plan?

Vince Cable: Infrastructure is certainly a key to recovery, and it is absolutely right to put it on a sustainable basis. The Chief Secretary announced a programme for urgent modest-scale infrastructure projects a few weeks ago, and other infrastructure projects will be announced in the regional growth fund imminently.

Mr Iain Wright (Hartlepool) (Lab): In answer to questions to his Department in June, the Secretary of State said:

"There is rapid growth now beginning to take place in manufacturing and exports."—[*Official Report*, 9 June 2011; Vol. 529, c. 276.]

Given that figures from the Office for National Statistics confirm that manufacturing output fell last quarter and given that yesterday's CBI industrial trends survey showed sentiment from manufacturers deteriorating, order books emptying and export prospects sharply declining for a second successive quarter, will the Minister update his assessment of four months ago? Does he think that any aspect of Government policy needs to change to ensure that manufacturing drives forward economic recovery and growth?

Vince Cable: The hon. Gentleman is right to say that business conditions are difficult, but over the last two years manufacturing has increased significantly faster than the rest of the economy, as have exports. That is the direction that we need to pursue. Given that manufacturing is predominately an export-based industry, he will understand that the difficulties facing our major export markets in the European Union are creating problems for manufacturers and manufacturing confidence, but we will hit our way through them.

Ian Swales (Redcar) (LD): I thank the Secretary of State for visiting SABIC Petrochemicals in my constituency to hear about the cost issues for energy-intensive manufacturing industries. When can those industries expect an announcement about a mitigation package?

Vince Cable: I think they expect an announcement very soon. The visit was extremely constructive, and my colleague and others have rightly emphasised to us that energy-intensive industries are a key part of manufacturing recovery. It would be totally counter-productive economically and environmentally if they were driven overseas. We are determined that that should not happen, and a package of measures will be announced soon.

Science Funding

3. **Phil Wilson** (Sedgefield) (Lab): What recent assessment he has made of the level of science funding over the comprehensive spending review period. [76853]

The Minister for Universities and Science (Mr David Willetts): Funding for science and research programmes has been protected with a flat cash ring-fenced settlement of £4.6 billion for each of the next four years. We can be proud of our scientific research, and that is why the coalition is backing it.

Phil Wilson: Although I welcome the investment in the technology and innovation centres, one of which is in my constituency, will the Minister explain to the House why the Government have continued to cut the science budget by 12% overall when Germany, one of our main competitors, has increased its budget by 8%?

Mr Willetts: No party at the last election promised complete protection for the BIS budget. In fact, in its last economic statement in December 2009, the hon. Gentleman's party committed itself to cutting £600 million from the higher education and science and research budgets. We, by contrast, are offering complete cash protection for that budget.

Dr Julian Huppert (Cambridge) (LD): The scientists to whom I speak are concerned not only about the amount of money available now but about the levels of capital funding and the long-term security of funding running many years into the future. While I welcome the announcement of funding for companies such as Babraham, what assurances can the Minister provide that he will try to get more capital funding from the Treasury and to ensure good, long-term security so that scientists will know how much funding there will be for the next decade?

Mr Willetts: Of course, we have been able in the past year to fund six of the eight capital projects that the science community identified as the most important. We think that that has been a considerable achievement in tough times, and we will continue to try to secure financing for other capital programmes in the future.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): The Secretary of State recently said that all long-term economic growth was linked to innovation, yet one year after he claimed to have protected the science budget, the independent Campaign for Science and Engineering has revealed that its budget has been slashed by 12%, as my hon. Friend the Member for Sedgefield (Phil Wilson) mentioned. The Minister's own Department says that cuts to science will damage our world-leading position, yet businesses up and down the country are being denied the innovation support that they need, and the shambles in university funding makes it harder for universities to provide science places. If innovation is the engine of growth, why is the Secretary of State doing so much damage to it?

Mr Willetts: We in the coalition are absolutely committed to the importance of science and research, and we are strengthening the links between science and research and the business community. We are also offering cash protection for the science budget across all main current expenditure, which the hon. Lady's party never did in government. The very source that she has just cited, the Campaign for Science and Engineering, only a fortnight ago

"welcomed Chancellor George Osborne's announcement that £195m of new investment will be spent on science and engineering."

Exports

4. **Pauline Latham** (Mid Derbyshire) (Con): What steps he is taking to promote British exports. [76854]

13. **Alun Cairns** (Vale of Glamorgan) (Con): What steps he is taking to promote British exports. [76866]

The Secretary of State for Business, Innovation and Skills (Vince Cable): My Department is supporting British exports through UK Trade & Investment. Its strategy, which was launched in May 2011, sets out plans to provide practical support to exporters over the next five years. I have undertaken a number of visits overseas to promote British business to countries including China, India, Brazil, Japan, South Korea, Turkey and Romania, and next week I shall be in south-east Asia promoting British trade.

Pauline Latham: Britain is increasingly becoming a centre of excellence for high-tech, high-value manufacturing exports. In Derbyshire, we have some great high-tech exporters ranging from Rolls-Royce, which my right hon. Friend knows all about, to Pektron, an innovative, family-owned electronics manufacturer. What more can my right hon. Friend do to showcase those exceptional firms and remind people up and down the country and internationally that high-tech British goods are in demand everywhere, and that that needs to continue?

Vince Cable: Yes, there are many successful British exporters. Over the past year, exports have grown on a year-to-year basis by about 9%. Where we have fallen down historically is that British small and medium-sized companies have not been as involved in exporting as the larger enterprises such as Rolls-Royce. One of the main commitments in the UKTI strategy is to concentrate help and resources on those companies, which would undoubtedly help the specialist company in my hon. Friend's constituency.

Alun Cairns: It is good to note that exports have risen to their highest level since records began, and I note the Government's plans to double our exports to Brazil by 2015. Following the Foreign Affairs Select Committee report, what specific action is my right hon. Friend taking to help British exporters to overcome the language issues and bureaucratic barriers that might stand in the way of achieving that?

Vince Cable: I went to Brazil precisely to answer that question. My hon. Friend is quite right to say that we are starting from a weak position. As a result of neglect in the past, Britain's share of imports into Brazil is far lower than those of Germany, France and Italy, for example, and we must remedy that. We are putting in a major effort in Brazil, through UKTI, to capture some of the opportunities, particularly those that are arising from the expansion of the oil and gas industries there.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Secretary of State has mentioned some exotic locations, but he did not mention the fact that he came to Huddersfield two weeks ago. Did he learn from that visit that export manufacturing is at the heart of getting the biggest bang for our buck, and that manufacturing for export counts for more in regard to the balance of trade? He talks about innovation and universities, but we do not want just seven—we want 133 innovation units.

Vince Cable: As a Yorkshireman myself, I would hesitate to call Huddersfield an overseas market, but it is certainly an outstanding centre of excellence. I enjoyed my visit there. We visited David Brown, one of the recipients of regional growth fund money and a very successful manufacturing exporter. I would also commend going further up the valley to Todmorden, where there is a brilliant British casting and forging company working flat out in our major export markets.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): UKTI has no presence in Wales, so what discussions has the right hon. Gentleman had with the Welsh Government to ensure that UKTI is doing its best to promote Welsh exports?

Vince Cable: Of course the Welsh Government, as a devolved Government, have more responsibilities of their own in this field, but Wales is part of the UK and I will do my best to work with my Welsh Government colleagues to promote exports. I have already talked to the Secretary of State about getting more Welsh businesses represented on UKTI missions and on projects of that kind.

Regional Growth Fund

5. **Ian Lavery** (Wansbeck) (Lab): What recent assessment he has made of the effectiveness of the regional growth fund. [76855]

The Secretary of State for Business, Innovation and Skills (Vince Cable): In April we announced that 50 bids had been successful as part of round 1 of the regional growth fund, receiving a conditional allocation of £450 million, which will deliver 27,000 new or safeguarded jobs and close to 100,000 jobs in supply chains. More than half these projects have already started, and successful bidders will receive funding as due diligence is completed. Announcements on the second larger round are imminent.

Ian Lavery: There have been conflicting reports about the Department's performance on the regional growth fund and what has been settled as a result of it. Will the right hon. Gentleman tell us how many applications have come from Northumberland, how many of them have been successful and how many have received any form of payment to date?

Vince Cable: I cannot tell him off the cuff how many companies in Northumberland have received regional growth fund money. I know that the north-east was the most substantial recipient in the first round. I believe that several—in fact, the majority—of those projects are proceeding, and they will create jobs in Northumberland.

Mr Richard Bacon (South Norfolk) (Con): We in South Norfolk were very pleased to see the Secretary of State visiting Group Lotus, one of the country's highest technology companies, which he described as "the best of British". Does he agree that the regional growth fund would be seen as even more effective if Lotus's high-quality bid were successful?

Vince Cable: I think my colleague is disarmingly tempting me to commit some indiscretion here. I have been to Lotus, but we did not discuss the regional growth fund bid. It is an outstanding company, and I am certainly aware that it has put in a bid.

Mr Gordon Marsden (Blackpool South) (Lab): Well, why do we not put the bunting out? Six months after 45 regional growth fund bids were submitted, only three have got the money, so there are only 42 to go. Perhaps the Secretary of State could tell us how many people in BIS it takes to change a light bulb. However, on 17 October, the Minister of State, Department for Business, Innovation and Skills, the hon. Member for Hertford and Stortford (Mr Prisk) assured *The Times* that due diligence on the bids had taken an average of six weeks. These bids have all been waiting six months. Will the Secretary of State tell us when the bidders will get their promised money, as all these continued growth prospects have been put at risk because his Department has been asleep at the wheel?

Vince Cable: I definitely think we should put the bunting out for the regional growth fund. As I explained in my first answer to this question, more than half of all these projects are now under way. Factories have been built; jobs have been created—that is what it is about. As was made clear at the outset and as Lord Heseltine made clear a few days ago, the release of funding is a later stage in the process when due diligence has been completed. Are the Labour Front-Bench team seriously arguing that we should dispense with controls over the spending of public money in the private sector? I know they did that in government, but we are not going to do it.

Manufacturing Skills

6. **Stuart Andrew** (Pudsey) (Con): What steps his Department is taking to promote manufacturing skills. [76858]

The Minister for Further Education, Skills and Lifelong Learning (Mr John Hayes): We are promoting manufacturing skills with success. Provisional figures show substantial growth, with 47,020 apprenticeship programme starts in engineering and manufacturing technologies in 2010 alone. That is an increase of 20%. The development of advanced and higher level apprenticeships and the roll-out of the "see inside manufacturing" initiative will build on that success.

Stuart Andrew: I congratulate my hon. Friend on the increase in the number of apprenticeships that was announced today, which demonstrates a real commitment on the part of the Government and employers to training the next generation. Companies such as ATB Morley, in my constituency, and Airedale International are crying out for a skilled work force. Will my hon. Friend elaborate on how apprenticeships can help to provide the training skills that such companies need?

Mr Hayes: Apprenticeships are, of course, jobs. They give people a chance to learn in the workplace. They provide individuals with a chance to gain the skills that they need and that fuel social mobility, they provide companies with a chance to gain the skills that they need in order to prosper, and they provide Britain with a chance to become a more cohesive, successful and prosperous nation.

Jim Sheridan (Paisley and Renfrewshire North) (Lab): When the Minister has a moment, will he reflect on early-day motion 2218, which seeks to expose six British construction companies that are threatening to tear up the national pay agreement for skilled electricians and thus trying to de-skill the construction industry? Perhaps in the fullness of time he will give us a written response expressing his view of those actions.

Mr Hayes: I should be happy to do that. The hon. Gentleman has made an interesting point, and I will certainly consider doing what he suggests. Moreover, I should be happy to meet him and anyone he wants to bring to my Department, with my officials, so that we can take the matter further.

BAE Systems

7. **Andrew Stephenson** (Pendle) (Con): What steps his Department is taking in response to recent job losses announced by BAE Systems. [76859]

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): The Government's first priority is to support the individuals whose jobs may be at risk. To that end, the Jobcentre Plus rapid response service is providing support, training and careers advice. The Government are also working with the Lancashire and the Humber local enterprise partnerships on two potential new enterprise zones to support local economies.

Andrew Stephenson: What role does my hon. Friend think that group training associations can play in redeploying and supporting those who have lost their jobs? In Lancashire we have Training 2000, the biggest GTA in the country, which is already working closely with Rolls-Royce and other businesses that are currently recruiting.

Mr Prisk: The Government greatly value the role of group training associations. They are crucial, which is why we are supporting them through the growth innovation fund. However, I note the individual case that my hon. Friend has raised.

Graham Jones (Hyndburn) (Lab): What is the reason for the reversal of the decision on the Lancashire enterprise zones in September? In August a bid had been turned down, and job losses had been agreed by the Ministry of Defence in July. That sequence of events suggests that the MOD was not talking to BIS, and that BIS made a reckless decision in August which was overturned by the Treasury. Can the Minister explain?

Mr Prisk: There was a real problem for the workers in that area, and we responded positively by providing the additional two enterprise zones. I hope the hon. Gentleman welcomes that.

Construction Industry

8. **John Cryer** (Leyton and Wanstead) (Lab): What steps his Department is taking to support the construction industry. [76860]

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): The Government are acting positively to strengthen the industry by reform the planning system, modernising public sector procurement, and producing the first national infrastructure plan, which will unlock up to £200 billion of both public and private investment.

John Cryer: Can we return to planet Earth? Since the election 65,000 jobs have gone in construction, no one is training apprentices, and public sector contracts have dried up. Do we not need a bit more action?

Mr Prisk: It is nice to have the hon. Gentleman back on planet Earth. It appears that he has been away from it for a long time. We have heard about the work that the Government are doing on apprenticeships, we have seen the investment in infrastructure, and there is a positive story to tell. Why cannot the Labour party understand that?

Simon Hughes (Bermondsey and Old Southwark) (LD): Very much on planet Earth, there are many sites that are not being developed but could be. Will the Minister talk to his colleagues in the Department for Communities and Local Government and the Treasury to ensure that financial incentives are offered to the owners of sterile land so that it can return to use and be developed, thus providing jobs in the construction industry?

Mr Prisk: My right hon. Friend has made an eminently sensible suggestion. This is why we are adopting a positive approach, and trying to ensure that when Departments have redundant land, we can return it to use.

Toby Perkins (Chesterfield) (Lab): Britain's construction industry needs a lion at the wheel, but instead we have a tortoise that is sitting still while building sites and people in our construction industry are made redundant. However, there is an alternative. The shadow Chancellor's five-point plan will produce projects that will enable us to get the industry moving. For instance, a VAT cut to 5% on home improvements and repairs and maintenance is a targeted approach that is supported by the Federation of Small Businesses. Will the Government take serious action to get the construction industry moving?

Mr Prisk: As I recall, the tortoise beat the hare.

Stem Cell Research

9. **Graham Stringer** (Blackley and Broughton) (Lab): What steps he plans to take to protect stem cell research in the UK following the decision of the European Court of Justice to prohibit the patenting of inventions based on human stem cells; and if he will make a statement. [76862]

The Minister for Universities and Science (Mr David Willetts): We are—*[Interruption.]* We are carefully considering the impact of the ruling—*[Interruption.]*

Mr Speaker: Order. I think we have had enough references to animals. Let us now experience the product of one of the brains of the Minister.

Mr Willetts: I will do my best, Mr Speaker.

As I was saying, we are carefully considering the impact of the ruling on current UK patent practice. The Technology Strategy Board currently funds 15 studies involving human stem cells, two of which use human embryonic stem cells. The TSB and the research councils will continue to support and fund research on stem cells from all sources, including embryonic.

Graham Stringer: That was an interesting reply, because leading scientists in the field have called the decision everything from "devastating" to "appalling". They believe this work will move to South Korea and Canada, and that potential cures for people suffering from

degenerative diseases will be developed later, if they are developed at all. I simply do not understand the Minister's answer, and I would like more details on how he is going to stop this work going abroad.

Mr Willetts: I agree with the hon. Gentleman that this research is very important in tackling fundamental human illnesses such as Parkinson's, and that is why we will continue to support it. We are assessing the implications of the ECJ ruling. It is important that stem cells can be derived in a variety of ways, and embryonic stem cells are only one source of stem cells. That is why we need more time to assess the implications of this judgment.

George Freeman (Mid Norfolk) (Con): I am sure the Minister agrees that stem cell science is one of Britain's great strengths. The feeling within the industry is that this Government are putting their money where their mouth is. In contrast to the accusations and nonsense coming from Opposition Members that we are not investing in science, the recent £195 million investment in graphene and supercomputing and the protection of the science budget amounts to a real growth strategy.

Mr Willetts: We are totally committed to investing in life sciences in Britain, and let me give a practical example of how we can cut the burden of regulation to bring this industry forward: we have committed to reducing the time it takes to start a clinical trial from over 600 days—the period we inherited from the previous Government—to 70 days in future under us.

Dame Anne Begg (Aberdeen South) (Lab): My understanding is that the Court's judgment does not stop research into embryonic stem cells, but that it does mean that scientists will not be able to patent anything worth while, and that therefore the intellectual property is likely to go abroad, as my hon. Friend the Member for Blackley and Broughton (Graham Stringer) said. What are the Government going to do to stop that happening, because this research is vital for people with degenerative diseases?

Mr Willetts: The hon. Lady is right: this is vital research. The crucial points, however, are that the research is taking place using stem cells from a range of sources, not just embryonic stem cells, and we are continuing to assess how much of the research and development that currently takes place in Britain would be affected by this judgment.

Entrepreneurship

10. **Stephen Lloyd** (Eastbourne) (LD): What steps he is taking to encourage entrepreneurship. [76863]

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): The Government are committed to making the United Kingdom the best place in Europe to start, finance and grow a business. Steps being taken include boosting tax relief, getting the banks to increase lending to small firms and scrapping regulations from this Department alone that would have cost small and medium-sized enterprises more than £315 million every year.

Stephen Lloyd: I thank the Minister for his answer. It is clear that the Government are taking an active lead on growing and supporting our entrepreneurs. Will he therefore join me in supporting the Federation of Small Businesses in its fantastic real-life entrepreneur campaign, as that support will demonstrate yet again just how committed the coalition Government are to the entrepreneurial spirit in UK plc?

Mr Prisk: Absolutely. That is an excellent campaign by the FSB, and it shows why we are focused on matters that concern those real-life entrepreneurs: cutting their costs; tackling red tape; and of course improving access to finance. There is a lot more to do, but they know that we are on their side.

Bill Esterson (Sefton Central) (Lab): Another excellent campaign from the FSB and also the Federation of Master Builders is the "Cut the VAT" campaign, which supports a cut in VAT on home improvements to 5%. Such a move would also be good for entrepreneurs. Will the Minister support that campaign?

Mr Prisk: We are doing a lot of things to help small businesses. I notice that, although the Labour party is now saying that such things should be done, in 13 years in government it did not do it. Why not?

Simon Kirby (Brighton, Kemptown) (Con): I congratulate the Minister on all the help he is giving entrepreneurs. Could he find time in his busy schedule to visit the many entrepreneurs in Brighton and Hove?

Mr Prisk: I will be delighted—my diary secretary may not be—to respond positively to my hon. Friend's request.

Seaside Towns

11. **Mr Adrian Sanders** (Torbay) (LD): What recent discussions he has had with the Chancellor of the Exchequer on support for seaside town economies. [76864]

The Minister of State, Department for Business, Innovation and Skills (Greg Clark): My two Departments, the Department for Business, Innovation and Skills and the Department for Communities and Local Government, have regular discussions with the Treasury about support for economies. My hon. Friend will know that the Chief Secretary to the Treasury has announced the coastal communities fund, which will be available from April.

Mr Sanders: Two Select Committee reports have identified that one of the main problems facing coastal communities is poor transport links. May I invite the Minister to visit the warm and welcoming English riviera to see the challenges and opportunities there, which could be fully addressed by better transport links?

Greg Clark: A visit to the English riviera is an enticing invitation, and I will be delighted to go there. My hon. Friend is right to say that connectivity is a concern for all coastal communities, and I know that he is waiting

for a decision on the south Devon link road. I cannot pre-empt that, but I think I will go by train this time to avoid any delays.

Alison Seabeck (Plymouth, Moor View) (Lab): Will the right hon. Gentleman place in the Library a copy of the advice he received from BIS officials—not DCLG officials—on the historical disadvantages that seaside towns and cities face, particularly those relating to access and business failures? Clearly the advice was not forceful enough, because neither Torbay nor Plymouth was successful in this round of bids for local enterprise zones, as he well knows.

Greg Clark: As the hon. Lady knows, we have had discussions about Plymouth. I very much hope that all the representatives of Plymouth will join in putting together an area to attract business that is very much in keeping with the enterprise zone proposal. Of course I will put together a package of the research and make it available to her.

Scientific Research

12. **Jane Ellison** (Battersea) (Con): How much capital expenditure for scientific research his Department has allocated in 2011-12 to date. [76865]

The Minister for Universities and Science (Mr David Willetts): I have recently announced that the Department will be investing an additional £145 million in high-performance computing. That brings the Department's total capital spend in science and research to £793 million for 2011-12.

Jane Ellison: I thank the Minister for that reply. Britain has always been great at discovering and inventing things, but we need to address how to commercialise some of that cutting-edge research. Will he therefore comment on what the Government are doing to ensure that we bring that research, and those discoveries and inventions, to market in the future?

Mr Willetts: My hon. Friend is absolutely right, and that is why we are setting up the network of six technology and innovation centres. It is why we are particularly backing the campuses in Norwich, Babraham, Harwell and Daresbury, which bring together scientific research and business applications. It was also the reason for the investment of £50 million in the application of graphene to business purposes, which was announced only a few weeks ago.

Paul Blomfield (Sheffield Central) (Lab): Does the Minister recognise the deep concern in our universities at the cutting back of their capital programme, in contrast with what is happening in other countries, which will put us at a significant competitive disadvantage?

Mr Willetts: The figure that I just gave the House for capital spending on science and research is comparable with the figures for capital spending under the ring-fenced science budget under the previous Government. So, even in tough times, we are absolutely maintaining our commitment to investing in science.

MPharm Qualification

16. **Charlie Elphicke** (Dover) (Con): If he will consider changing the MPharm qualification from level 6 to level 7. [76869]

The Minister for Universities and Science (Mr David Willetts): The Government do not determine the academic levels of higher education qualifications. The Higher Education Funding Council funds the MPharm as an undergraduate master's degree, to the benefit of 10,000 students a year who are entitled to teaching grants and student support.

Charlie Elphicke: I thank the Minister for that answer. My constituent Louis Leir has done an undergraduate degree and wants to do a MPharm, but unfortunately it is classified as an undergraduate-level degree. He is therefore caught by the equivalent or lower qualifications —ELQ—policy and is unable to get help with tuition fees. Will Ministers give further considerations to the issues relating to master's level qualifications? The MPharm truly is one of those, as most of the House probably recognises.

Mr Willetts: I congratulate my hon. Friend on his ingenuity in pursuing that constituency case, about which we have corresponded. Just as he was with the Pfizer case at Sandwich, he is a persistent hon. Member and I congratulate him on that. However, we believe that if we were to take the ingenious approach he proposes, it might mean that the 10,000 undergraduates currently benefiting from financial support lose it.

Apprentices

18. **Mr Graham Stuart** (Beverley and Holderness) (Con): What assessment he has made of the difficulties faced by apprentices aged 19 and over in obtaining adequate funding for level 3 qualifications. [76871]

The Minister for Further Education, Skills and Lifelong Learning (Mr John Hayes): The Government are investing significantly in adult apprenticeships, with earmarked investment of £679 million in 2011-12. We rely on employers coming forward to make places available and many more are doing so every day, week and month. There were 114,900 starts in 2010-11—nearly twice as many as in the previous year—for those aged over 19.

Mr Stuart: The Minister not only champions apprenticeships but facilitates their delivery and I congratulate him on that. May I ask him to consider introducing a flexible three-year contract for young apprenticeships, with a break clause after year 2, so that there is an equalisation of funding for young apprenticeships on courses both before and after their 19th birthdays?

Mr Hayes: Knowing my hon. Friend's expertise and commitment to this subject, when I saw his question I spoke to my officials and got an interesting response from them. I think that if we better estimate at the outset people's prospects of progression, we may well be able to take account of what my hon. Friend says. I invite him, as I did earlier, to come to the Department

to talk that through and to see what changes we can make to remove any disincentives of the kind to which he refers.

Mr Russell Brown (Dumfries and Galloway) (Lab): The construction industry, the manufacturing sector and apprenticeships all go hand in hand. Will the Minister confirm that the vast majority of the increase in apprenticeships in the past year has been in the over-25s category? Frankly, that is not doing enough to assist with the serious problem of youth unemployment.

Mr Hayes: The hon. Gentleman is right that there has been a growth in over-25s apprenticeships and he will know that the previous Government commissioned the Leitch report, which said that that was exactly what we needed—to upskill and reskill the work force. Notwithstanding that, however, he will also know that there has been remarkable, unprecedented growth in 16 to 18 apprenticeships and in 19 to 24 apprenticeships over two years. Contrary to the complaints of the carpers and the cringers, the whiners and the whingers, the biggest proportion of growth has been at level 3—that is A-level equivalent.

Mr Speaker: We always enjoy the lyricism of the Minister.

Sajid Javid (Bromsgrove) (Con): Having recently served a one-year apprenticeship by the side of the Minister for Further Education, Skills and Lifelong Learning, I am not surprised by the excellent numbers that were released today on apprenticeships, as his dedication is second to none. May I ask him to say a word on the increase in level 3 apprenticeships, which are equivalent in qualification to A-levels?

Mr Hayes: My hon. Friend has gone on to other, I am tempted to say greater, things since he served that apprenticeship, and he is right to draw attention once again to the increase at level 3, because there were those, largely drawn from the bourgeois left, who looked down their noses at practical learning and who thought that the most growth would be at level 2, but actually we have facilitated very substantial growth—over 60%—at level 3 as my hon. Friend says. It is a rosy day for the Government and, much more importantly, a rosy day for Britain.

Small Businesses

19. **Robert Halfon** (Harlow) (Con): What steps he plans to take to reduce costs for small businesses. [76883]

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): In these rosy days, in addition to extending small business rate relief and reversing Labour's planned rise in payroll taxes, we also intend to reduce the burden of financial accounting rules. That will save businesses up to £600 million, a third of which will benefit small and medium-sized enterprises.

Robert Halfon: At a time when many small businesses are struggling to thrive in the economic climate, will my hon. Friend join the campaign of Harlow chamber of commerce and the Essex Federation of Small Businesses strongly to oppose the proposals of the Health and Safety Executive to charge £750-plus to inspect small businesses?

Mr Prisk: I am very much aware of the consultation that the agency is undertaking on fees and other proposals, and I understand the concerns that my hon. Friend voices. Any fees, any proposals, need to be proportionate and reasonable.

Gordon Banks (Ochil and South Perthshire) (Lab): Many small businesses in the construction sector would benefit from a cut in VAT to 5%, as has been raised. We heard the Minister's response; he thinks we are wrong in calling for that. If he thinks we are wrong, does he think the Federation of Master Builders, the Builders Merchants Federation, British Precast and the Modern Masonry Alliance are wrong as well?

Mr Prisk: The Labour party thought those organisations were wrong when it was in office. The party needs to realise that it cannot do one thing in government and say another in opposition. *[Interruption.]* That is its record.

Topical Questions

T1. [76872] **Jake Berry** (Rossendale and Darwen) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Business, Innovation and Skills (Vince Cable): My Department has a key role in supporting the rebalancing of the economy and business to deliver growth while increasing skills and learning.

Jake Berry: I thank my right hon. Friend for that answer. I congratulate Ministers on the fantastic apprenticeship numbers that were announced today. With that and the rebalancing of our economy in mind, and given that in Rossendale and Darwen we have a manufacturing economy, can the Secretary of State tell the House how we are going to make it easier for employers in my constituency to take on new apprentices?

Vince Cable: The hon. Gentleman is right to acknowledge the big increase in apprenticeships, and it is not simply quantity; it is also about quality. Some of the rapid growth that is taking place is in advanced apprenticeships, including in manufacturing, and we welcome that, but we do not accept that the status quo is adequate. We want to strip away some of the bureaucratic barriers that hinder companies, particularly small companies, and my colleagues are working on that.

Mr Chuka Umunna (Streatham) (Lab): A few years ago, the Business Secretary was described by the Deputy Prime Minister as an "economic prophet". So in January, when the Secretary of State told the House that

"...economic growth is now strong. It will become stronger as a result of the work that the Government are doing in stabilising finances"—[*Official Report*, 13 January 2011; Vol. 521, c. 429.]

we listened with interest. Given the performance of the economy since January, does the Business Secretary believe he has lived up to his billing?

Vince Cable: May I first warmly congratulate the hon. Gentleman on his rapid and considerable promotion? I will not tempt fate by hoping that he makes a success of it, but I none the less wish him well. Of course, one advantage that he has in coming into Parliament only very recently is that he is not personally responsible for some of the disasters that occurred under his predecessors. One of our problems is sorting out some of those disasters, not least of which are the massive deficit that we inherited, a broken banking system, large amounts of personal debt and a flat housing market. All those factors explain why it is now very difficult to launch into rapid growth, but we are putting in place the rebalancing of the economy and the financial discipline to make that feasible.

Mr Umunna: I thank the Business Secretary for his kind words, but I wonder when he will take responsibility. In his first speech as Business Secretary, he described his Department as the "Department for economic growth". The truth is that, under his leadership, it has been the Department for no growth. The economy has stagnated, unemployment has soared and confidence has nose-dived—and that is all before the effects of the eurozone crisis have been felt. Things would be very different if he changed his policy and adopted a proper plan for growth to get demand back again. In January, he thought his policies were working and it turns out he was wrong. He has described himself as a Keynesian, but Keynes famously said:

"When the facts change, I change my mind."

Why will the Business Secretary not do the same?

Vince Cable: Well, Keynes famously wrote in his well-publicised note to Franklin Roosevelt that probably the most useful thing that the Government could do in a depression was keep down long-term interest rates, and that is what this Government have done as a result of their fiscal prudence.

The hon. Gentleman says that we do not have the policies in place; we have two things in place. We have policies for financial stability, which we did not have when we inherited the economy; and on the other hand we have policies in place to rebalance the economy, to reinvent manufacturing, which was allowed to decline catastrophically under the previous Government, and to promote exports and business investment—things that were shamefully neglected when his colleagues were in government.

T2. [76873] **Jane Ellison** (Battersea) (Con): The Mayor of London has had great success in growing the number of apprenticeships from the low base inherited from his Labour predecessor by requiring apprentices to be taken on as a condition of bids for public projects. Will the Minister look at whether that success could be built on and extended to national Government?

The Minister for Further Education, Skills and Lifelong Learning (Mr John Hayes): My hon. Friend is absolutely right to draw attention to the remarkable figures in London. Of all the regions, London has seen the biggest proportionate growth in the number of apprenticeships, and I recently had a meeting in the Mayor's office to discuss the subject. She is also right that there are things the Government can do to help, so we will look again at what can be done, based on the experience in London, to promote apprenticeships in the way she describes.

T4. [76875] **Nic Dakin** (Scunthorpe) (Lab): In June, the Office of Fair Trading upheld the Which? super-complaint about card surcharges, agreeing that they pose significant detriment to consumers. When will the Government act to stop people being exploited in this way?

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): I am grateful to the hon. Gentleman for his question. We are looking at the OFT's powerful report and consulting colleagues in the Treasury, and we will come back to the House in due course.

T3. [76874] **Michael Fallon** (Sevenoaks) (Con): In formulating his response to the Beecroft review, will the Secretary of State bear in mind the interests of hundreds of thousands of people who are currently locked out of the labour market, particularly youngsters who might well be prepared to waive some of the more generous job protection provisions in return for that vital first start?

Mr Davey: My hon. Friend will know that the Chancellor has announced that we will move the period of unfair dismissal from one year to two years—I know that my hon. Friend welcomes that—which will deal with exactly the point he has made. He will also know that we have an employment law review and a red tape challenge to ensure that we have employment laws in this country that will make our labour market fair and efficient.

T5. [76876] **Stella Creasy** (Walthamstow) (Lab/Co-op): What message do the Government think they are sending to the thousands of families in this country who are now struggling in debt as a result of payday loans, by allowing the legal loan sharks not only to advise them on employment law, but to swell their party coffers?

Mr Davey: I was expecting the hon. Lady to thank the Government for putting forward an idea that she and other Members have been pressing on the Government: namely, to launch research on the impact of a cap on the total cost of credit. I am really rather disappointed in her.

T6. [76877] **Margot James** (Stourbridge) (Con): My right hon. Friend will be aware of the Wilson review on the collaboration between industry and universities. I am currently working on a project in the west midlands with local business leaders and universities. Will he meet industrialists and me when the report is competed next year?

The Minister for Universities and Science (Mr David Willetts): I would be happy to meet my hon. Friend, because she is absolutely right that one of our priorities is to ensure that the strength of our research base is fed through into stronger support for business and greater business investment, and we look forward to Sir Tim Wilson's report.

T7. [76879] **Mark Hendrick** (Preston) (Lab/Co-op): The Secretary of State will be aware that Remploy businesses were set up across this country after the second world war to give work to disabled people returning from the war. Those businesses have gone on for decades and given great work to disabled people. Why are the Government going to axe the programme?

Vince Cable: Certainly we should be doing all we can to support disabled workers. My understanding is that those decisions lie with the Department for Work and Pensions, but I would be happy to engage or help if there is a problem.

Nadhim Zahawi (Stratford-on-Avon) (Con): UK Trade & Investment has just completed a trade mission to Iraq for the Erbil international trade fair, of which I was privileged to be a part. We had 86 businesses, companies and educationalists at the British pavilion at the trade fair, whereas three years ago we had only one. Will the Secretary of State join me in congratulating the UKTI team and our consul-general on their great work during the mission?

Vince Cable: Yes. UKTI does an excellent job. Like all other parts of the Government, it is having to do more with less, but it does so through refocusing and strategy. I have not yet been to that country, but I look forward to doing so.

T8. [76881] **Diana Johnson** (Kingston upon Hull North) (Lab): Does the Minister of State really think that sending a letter to Members whose constituents are affected by the potential redundancies at BAE Systems stating that those people could move to other parts of the country to get jobs shows any understanding of the regional economy and the need for skilled manufacturing jobs, particularly in the Humber area?

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): The letter sets out, first, help for those individuals on the ground at those sites. Secondly, it refers to making sure that by having the new talent retention service we do not lose those skills; and, thirdly, it refers to making sure that we put enterprise zones in place. I have to say that the response I have had from local people has been far more positive, sadly, than that of Labour Members.

Andrew George (St Ives) (LD): Many of those who strongly support the Government's policy to establish a grocery adjudicator to curb the bully-boy tactics of supermarkets will be concerned to ensure that it has the teeth to do the job. Will my hon. Friend the Minister take this opportunity to reassure those supporters of the Government's policy that a supplier will not be required to take the risk of making a complaint in order to prompt an inquiry by the adjudicator?

Mr Davey: I again pay tribute to my hon. Friend, because he has been a stalwart campaigner for that change. I am delighted that we were able to publish the draft Groceries Code Adjudicator Bill on 24 May, and that the Business, Innovation and Skills Committee's report on it has welcomed our proposals. He will know that the proposal is unique, because it allows anonymous claims to be made to the adjudicator and for reports, of which the adjudicator will be able to take note, to be put into the public domain.

Mr William Bain (Glasgow North East) (Lab): The Bank of England's own data released last week indicate that lending by banks to small businesses fell by £2.5 billion in the three months to August. Was not the Secretary of State right to admit at last that the economy is in a far weaker state under this Government than it ever was in the last year under Labour?

Vince Cable: That certainly is not the case, but the hon. Gentleman has a perfectly valid point in relation to bank lending. That is absolutely the case, and, as a result of the agreement that we have reached with the banks, they have—certainly in the first two quarters—achieved the gross lending objectives that we set them, but there is a lot more to do. Surveys show that a shortage of credit is a serious problem, and we have to continue to work with the banks and, where necessary, to require them to make credit available to the economy.

Greg Mulholland (Leeds North West) (LD): Since December 2008, 3,218 tied pubs have closed and 425 free houses have opened, yet the British Beer and Pub Association, which speaks for pub companies, continues to mislead Ministers and MPs by stating that the opposite is actually the case. Do Ministers agree that this discredits the BBPA and also shows that the Government must stick to their commitment to act on the issue?

Mr Davey: My hon. Friend has been a doughty campaigner on the subject, and he will know that the Business, Innovation and Skills Committee has just undertaken a report on all those issues. The Government are therefore considering it and will respond to it shortly. If I were tempted into replying to the details of his question, I would prejudice that response.

Valerie Vaz (Walsall South) (Lab): Having withdrawn funding from the UK Resource Centre for Women in Science, Engineering and Technology, will the Secretary of State tell us which women's organisations he has contacted to encourage women back into those under-represented areas?

Mr Willetts: It is important that women are properly represented in engineering and science, and I discuss that issue with a range of groups, so I hope the hon. Lady will be encouraged by the fact that we have 26,000 STEMNET ambassadors. Already, we have 40% who are female, but obviously we need to be better.

Duncan Hames (Chippenham) (LD): Next month should at last see meaningfully democratic elections in Egypt, but a new democratic Egypt faces a future hamstrung by debts from the Mubarak era. Will my right hon. Friend ask his officials to conduct an audit of the £100 million owed by Egypt to the Export Credits Guarantee Department?

Vince Cable: As my hon. Friend knows, there is a mechanism for dealing with official debt, through the Paris Club, but I will certainly undertake to speak to my colleague, the Secretary of State for International Development, to ask what concessional assistance we

are giving to Egypt. The matter does not directly bear on my Department, but I accept that there is a link with the promotion of trade.

Grahame M. Morris (Easington) (Lab): Does the Business Secretary believe that tax evasion and tax avoidance is having a negative impact on economic growth?

Vince Cable: Absolutely. I am resolute, and I hope that my colleagues on the Opposition Benches will work with me in combating both.

Dr Julian Huppert (Cambridge) (LD): The Department for Business, Innovation and Skills is considering the creation of a public data corporation. Does the Minister accept that making public data openly available can facilitate innovation in more ways than can be easily anticipated, benefiting the economy and the country? Will he meet me and other campaigners to discuss the details of that further?

Mr Davey: I am certainly very happy to meet my hon. Friend to discuss the issue. He is right to bring attention to this very important innovation by the Government to create something called a public data corporation, bringing together a number of key Government assets to ensure that they are managed efficiently and to put a greater amount of data into the public domain.

Chris Bryant (Rhondda) (Lab): One of the Labour Government's great successes was the introduction of the artist's resale right. Since then, the art market has quadrupled, and hard-pressed artists have received £13 million. The derogation in awarding the artist's resale right to the estate of dead artists lapses at the end of the year. Will the Secretary of State confirm that from January next year it will apply to the estate of deceased artists?

Vince Cable: No, I cannot confirm that, but I will speak to my colleague at the Department for Culture, Media and Sport about the impact on the art market, and how we propose to proceed with that in the European Union.

Mr Marcus Jones (Nuneaton) (Con): The success of apprenticeships is undoubtedly vital to future prosperity in areas such as the west midlands. Will my hon. Friend update the House on the progress of the apprenticeship programme in the west midlands region?

Mr Hayes: I described this as a rosy day for Britain, and it is a rosy day for the west midlands too. The number of apprenticeship starts in the west midlands is up by more than a half on 2009-10, which is due in part to the advocacy of excellent Members of Parliament such as my hon. Friend.

Several hon. Members *rose—*

Mr Speaker: Order. We must press on because we have a hectic schedule today.

Eurozone Crisis

11.31 am

The Chancellor of the Exchequer (Mr George Osborne): I wanted to update the House as early as possible on developments in the eurozone overnight, and in the absence of the Prime Minister as he travels to the Commonwealth Heads of Government meeting, to report on the good progress made at yesterday's European Council.

The crisis in the eurozone has caused instability in financial markets, has greatly undermined confidence around the world, and is having a chilling effect on economic growth in many countries, including our own. It is in our overwhelming national interest that a coherent, comprehensive and lasting solution to the eurozone's problems is found, because the decisive resolution of this crisis would provide the single biggest boost to the British economy this autumn, and the break-up of the euro would be the single greatest threat to our prosperity.

Our view about how to solve the eurozone's immediate problems has been clear, consistent and forcefully expressed. The Prime Minister, the Deputy Prime Minister and I have set it out to the House on a number of occasions: reinforcement, recapitalisation and resolution. First, eurozone member states need to reinforce their bail-out fund to create a firewall; secondly, weak European banks need to be recapitalised; and thirdly, the unsustainable position of Greece's debts needs to be resolved. But if the solution is to last, as I said many months ago, members of the eurozone also need to address the logic of monetary union by pursuing greater fiscal integration within the eurozone, while at the same time we protect Britain's interests.

We have to improve competitiveness: competitiveness in the peripheral economies of the eurozone as measured against the core economies such as Germany, and competitiveness across the whole European continent versus the rest of the world. This is the solution of the crisis that we have been advocating for months, and the solution again advocated by the Prime Minister at yesterday's European Council.

Our view is that last night very good progress was made towards solving the immediate crisis—very good progress on all fronts. The deal put together is much better than was expected yesterday afternoon. But much detail remains unresolved, and having put pressure on the eurozone to get this far, we have to keep up the pressure to get the details completed. It has started down the right road; now it must finish the job.

Let me take each element of last night's deal in turn and say how it affects Britain. First, on recapitalising banks, we are pleased that the European Council agreed to the proposal hammered out by myself and other Finance Ministers at the weekend ECOFIN. All major European banks will be required to hold at least a 9% core tier 1 capital ratio by the end of June next year, including marking to market all their exposure to sovereign debt. The European Banking Authority, based here in London, assessed that achieving this target means that banks will require an extra €106 billion of capital, and the Council yesterday confirmed that if this cannot be raised privately, Governments will have to step up to the plate.

I can confirm to the House today that in the assessment of the European Banking Authority and our own tripartite authorities, no British bank requires additional capital. This is an important expression of confidence in this country's banking system at a time of global financial stress. EU member states also agreed to co-ordinate guarantees of term funding, should they be required, and we have ensured that state aid rules will be applied properly, and European banks will be restructured if necessary, just as the European Commission demanded of the last British Government two years ago.

While some would have wanted an even tougher banking agreement, and even more capital going into Europe's weak banks, we should welcome what has been achieved with this agreement. We now have—unlike the totally inadequate stress tests of last year—a commitment to significant extra resources for the European banking system. However, the UK and others insisted that that commitment from the whole of the European Union on banking be conditional on the two other key components of the solution to the crisis that I set out: a reinforced firewall and a resolution of Greek debt. These are both properly matters for the Eurozone, not the UK—and they are both matters on which progress was also made last night.

On Greece, a headline agreement was reached to reduce the Greek debt-to-GDP ratio to 120% by 2020. The eurozone will contribute an additional €30 billion. Because the British Government have made sure that we are not part of the Greek bail-out, none of that extra €30 billion will come from our taxpayers, while private holders of Greek sovereign debt will be asked to accept a nominal write-down of 50%. A lot more work is needed to put all this into practice, including detailed negotiations with the private sector—but we said that Greece's debts were unsustainable, and we are pleased to see a resolution in sight.

On reinforcing the size of the firewall, the eurozone has set out two options that could operate in tandem. One is to provide, from the bail-out fund, insurance on new debt issued by Eurozone countries; the second is to create special purpose vehicles that can attract resources from private and public investors. In its statement, the eurozone said that

"the leverage effect of both options will vary"

but that they could be

"expected to yield around 1 trillion euro".

We have always believed that the role of the European Central Bank is critical, and I welcome the positive statement made by Mario Draghi, the incoming ECB president.

Talk of special purpose vehicles has given rise to questions about the involvement of the International Monetary Fund and major shareholders such as the UK. As I have said to the House on many occasions, Britain has always been one of the IMF's largest shareholders and biggest supporters: we helped to create the institution 60 years ago; the last Government agreed to increase its resources two years ago; and this Government not only ratified that agreement but helped to make the IMF more representative of the new world economy by brokering a deal last year that gave countries such as China and Brazil a greater say, while securing Britain's seat on the board. The IMF has been an active participant in the packages put together to support Ireland, Portugal

and Greece. It has also been active in extending flexible credit lines to Poland and Mexico—neither of which is in the eurozone, of course—as well as supporting other countries in central and eastern Europe such as Hungary, Romania and Latvia. Indeed, it currently has 53 lending programmes around the world, of which only three are in the eurozone.

Supporting countries that cannot support themselves is what the IMF exists to do, and there may well be a case for further increasing the resources of the IMF to keep pace with the size of the global economy. Britain, as a founding and permanent member of its governing board, stands ready to consider the case for further resources and contribute, with other countries, if necessary. Let us remember that support for the IMF does not add to our debt or deficit, and that no-one who has ever provided money to the IMF has ever lost that money. But let me be very clear: we are prepared to see an increase only in the resources that the IMF makes available to all the countries of the world. We would not be prepared to see IMF resources reserved for use only by the eurozone. By all means the IMF can use its expertise and advice to help the eurozone to create the special purpose vehicle that it is considering. By all means let countries with large foreign currency reserves such as China consider putting their own money into the eurozone's special purpose vehicle—that must be their decision—but the IMF cannot put its own resources in; it can lend only to countries with a programme for adjustment.

I confirm today that Britain will not put its resources in either. We do not have a surplus; we have a large deficit. We have had to use our resources to recapitalise our banks and to stand behind our currency. An active member of the IMF? Yes. Helping the IMF with advice and technical support? Yes. But the IMF contributing money to the eurozone bail-out fund? No. And Britain contributing money to the eurozone bail-out fund? No. That is Britain's clear position.

We expect eurozone members to use the next few days—the next few weeks, at the most—to provide much more detail about their plans to increase their firewalls and sort out Greek debt. We have made it clear that the sooner that happens, the better it will be for the world economy. We must maintain the momentum.

This package will not on its own resolve the longer-term issues of how to make the euro work more effectively. Those longer-term issues were addressed yesterday, and there were proposals for greater fiscal integration and mutual control over the budget policies of eurozone Governments. I have argued that we need to follow the remorseless logic of monetary union, and that involves a loss of national sovereignty for countries in the eurozone.

It is in Britain's interest that the euro operates more effectively, provided that the interests of all 27 member states are properly protected in key areas of European policy, such as the single market, competition and financial services. We are insistent that our voice will continue to be heard and our national interests protected. We have found allies among the other 10 members of the EU that are not in the euro. An important marker was put down in Sunday's European Council conclusions.

No one pretends that sorting out this situation in a satisfactory way will be easy, but it is a necessity. That is the context in which we should approach potential treaty changes. The coalition Government have already proved that they can protect Britain's interests by getting us out of the previous Government's involvement in the eurozone bail-outs, holding down the European Union budget increases, and putting into law the guarantee that no further powers or competencies can be transferred to Brussels without the consent of the British people in a referendum. The Government will again protect Britain's interests as the discussions on a possible limited treaty change begin. We will seek to rebalance the responsibilities between the EU and its member states, which in our view have become unbalanced.

Finally, the euro will not find lasting stability until its peripheral members become more competitive. That means credible plans to reduce budget deficits. That commitment was made in the very first section of yesterday's agreement. However, that involves difficult decisions on pension ages, business tax rates, welfare reform and educational standards. Britain, thankfully, is not in the euro, but we are taking those difficult decisions at home, because the ultimate lesson of this crisis is that unless a country can pay its way in the world and compete around the globe, it will be next in the firing line. I am determined that our country will never be in the firing line.

Rachel Reeves (Leeds West) (Lab): I thank the Chancellor for coming to the House to make that statement. With the shadow Chancellor in New York, I am responding on behalf of the Opposition, and I have a number of detailed questions. It is good that some agreement has been reached, but with so little detail, many unanswered questions remain. I hope that the Chancellor can help the House today, because whatever happens in the eurozone will have huge ramifications for British families and businesses.

First, on the recapitalisation of the banks, is the Chancellor confident that the deal announced is sufficient and that UK banks do not need further recapitalisation? Will he keep that under review? What estimates has he made of the exposure of UK banks to Greek, Italian, Portuguese and Spanish sovereign debt? Will he confirm that the House of Commons estimates of $3 billion for Greece and $17 billion for Italy reflect the current position for UK banks? Although the agreement states that banks and other creditors are invited to accept a 50% loss on Greek sovereign debt, is the Chancellor confident that the vast majority will agree—and if so, by when?

On the expansion of the European financial stability facility, does the Chancellor believe that the €1 trillion package is sufficient? Does it amount to the "big bazooka" that the Prime Minister talked about earlier this month? Alternatively, will we be back here in a few months' time, which would mean further uncertainty, undermining confidence, undermining investment and undermining growth? That is the last thing that Britain, or Europe, needs.

Can the Chancellor explain how the leveraging of the EFSF will work, and when he believes the detail of credit enhancement and special purpose vehicles will be finalised? If the EFSF must also fund bank recapitalisation, will it be sufficient to give the markets confidence, and will there be funds remaining to underpin any sovereign debt crisis and prevent further contagion?

Although we have a clear economic interest in the eurozone sorting out its problems, the interests of British taxpayers must be safeguarded. It would have been

[Rachel Reeves]

wrong for Britain to pay twice, both through ongoing temporary EU bail-out funds and through the IMF. If this package is indeed the final and permanent bail-out fund, any British role should be through the IMF alone.

I heard the Chancellor's question and answer session with himself on the IMF, but will he clarify what he said on the radio this morning? He said that the IMF was not

"going to put additional resources directly into the eurozone, hypothecated for the eurozone."

Does he believe, though, that there will need to be a further increase in UK contributions to the IMF? Whether he succeeds in persuading it to describe that as anything other than a hypothecated fund is irrelevant.

On the arrangements for future decision making, the agreement states:

"The President of the Euro Summit will keep non euro-area member states closely informed of preparations and outcomes of summits."

"Closely informed"? Has Britain now been reduced to simply receiving a postcard from Brussels? How will the Chancellor ensure that Britain's voice, and our vital national interest, is heard loud and clear in future negotiations?

On the forthcoming treaty changes, will the Chancellor admit what the Prime Minister was unable to admit yesterday? Is it now the Government's policy to seek to repatriate powers as part of those treaty changes? Which ones, and on what timetable?

Finally, is not the missing piece in the agreement the lack of any plan for jobs and growth, which were not mentioned at all in the Chancellor's statement? Is it not the case that without growth we cannot solve the debt crisis, we cannot solve the banking crisis, and we cannot solve the jobs crisis? At this time, Britain should be leading the charge and pushing for a proper plan for jobs and growth across Europe. But is not the truth that this Chancellor cannot do that? With unemployment at a 17-year high here in Britain, with no growth since last autumn, and with borrowing therefore now set to be £46 billion higher than he planned, he is clinging to an austerity plan that is failing here in Britain.

With the UK economy flatlining since this time last year, before the eurozone crisis of recent months, and with only Greece and Portugal growing more slowly than Britain, is it not time that we had a plan for jobs and growth—across Europe, yes, but here in Britain too?

Mr Osborne: I thank the hon. Lady for some of her questions. Of course, we miss the constructive and consensual approach of the shadow Chancellor. We are talking about the Bretton Woods institutions, and it turns out that he is at a place called Buttonwood, which adds to the pantomime feel of Labour's economic policy.

Let me deal directly with the hon. Lady's questions. First, of course we keep the capital and liquidity positions of the British banks under constant review. We would do that in the absence of any European agreement, but of course we have also participated in the recent work by the European Banking Authority. We thought it was important that that was done at EU level rather than eurozone level. I repeat what I said in my statement: the EBA and our own authorities confirm that no British bank requires additional capital, which of course is very good news for us all.

On the hon. Lady's question about getting private sector involvement in the write-down of Greek debt, that is of course one of the key unresolved issues from last night. We now need to see whether the headline agreement reached on behalf of the private sector can be implemented in practice. I am confident that it can, but that is one of the crucial next steps that need to be got on with.

The hon. Lady asked about the exposure of the UK banking system and the UK economy to various peripheral economies of Europe. Those figures are published regularly by the Bank of England. I do not propose to repeat them today, but they are available for everyone to see.

On the question that the hon. Lady asked about the overall fund, €1 trillion is the number that the eurozone has put on its firewall. Of course, some said it should be larger, but it is very significantly larger than what we had yesterday, which we should welcome. As with private sector involvement in the Greek deal, we now need to see the details of how the eurozone will create that leverage. It has set out two options that can work side by side. One is a kind of first loss insurance on newly issued debt, and the second is the special purpose vehicle, by which it hopes to get external private sector investment. Of course, it is openly speculating about getting Chinese money into that.

The IMF can only lend directly to countries, and countries with programmes or agreed and negotiated flexible credit lines, which will remain the case. It cannot lend into that special purpose vehicle. That is also the UK position. We do not think that Britain, with its deficit, can contribute to the special purpose vehicle. If we were to do so, we would add to our debt, and we do not think that that is appropriate. We have had to use our own resources to deal with our own problems in this country.

It is of course crucial that the IMF remains a central economic institution in dealing with the world's problems, and I urge the hon. Lady, newly appointed as shadow Chief Secretary, to reconsider Labour's position—*[Interruption.]* I know that the hon. Member for Nottingham East (Chris Leslie) led the Labour party in Committee to vote against the increase in IMF resources, which the last Labour Prime Minister negotiated at the London 2009 summit. Whatever I have said about the right hon. Gentleman—and I have said quite a few things—I do not think that anyone would doubt that the highlight of his premiership was the negotiation of the London 2009 G20 deal. It is completely astonishing that the Labour party voted against that agreement.

As we discuss over the next few months increasing the IMF's resources to deal with all the countries of the world, I urge Labour Members to reconsider their position on that, and also their rather odd position on the euro. They seem to be holding out membership of the euro—[Hon. Members: "No!"] Well, that is certainly what the Labour leader was doing at the weekend. To be in the euro but out of the IMF strikes me as a rather bizarre economic policy at the moment.

That brings me to my final point. Britain has been arguing consistently for months that a solution to this crisis requires recapitalising the banks, reinforcing the

firewall and resolving the Greek crisis. We have insisted that the appropriate issues are discussed at the level of 27, which is why there have been two European Councils this week, and an ECOFIN. We will continue to argue for Britain's national interest as we enter the difficult discussions ahead on the potential treaty change, on making the euro work, and above all on getting the growth and jobs that the hon. Lady talks about across Europe and in this country, by making this continent far more competitive and stopping Britain and Europe from pricing themselves out of the world economy.

Mr Andrew Tyrie (Chichester) (Con): Following on from the Chancellor's final remarks, I am sure he would agree that without a restoration of growth in the eurozone, the debt crisis simply cannot be resolved. He has been with his counterparts quite a lot in the past few days. What evidence has he seen in discussions with them that the EU has the will to implement the necessary reforms on the supply side of the economy to restore Europe's global competitiveness?

Mr Osborne: There is increasing evidence that people are focused on the structural issues facing the European economy. Indeed, when my hon. Friend looks at the agreement issued by the eurozone last night, he will see that when it refers to Spain and Italy, it stresses the importance not just of getting their budget deficits down, but of plans to increase the pension age and make labour legislation more flexible and competitive—all the sorts of things that this Government are pursuing here in Britain, although every one of those measures has been opposed by the Labour party.

Mr Alistair Darling (Edinburgh South West) (Lab): Does the Chancellor agree that one reason why the bank recapitalisation worked three years ago was that we were able to provide precisely the sort of detail required to reassure markets that we were taking the necessary action? When can we expect to hear, for example, exactly how much Greek debt is to be written down, and which banks in continental Europe will require additional funds from Governments or other sources? When can we expect to hear more detail about the rescue fund? In relation to that, can he let us know whether there is a commitment on the part of the eurozone to provide real cash—or are we looking at a sophisticated financial instrument of the sort that might have contributed to the problems in the first place?

Mr Osborne: I fear that we are looking at a sophisticated financial instrument here. However, it is clear that Germany and the Bundestag were not prepared to provide further resources. The European Central Bank was not prepared to provide those resources either, for all sorts of reasons to do with its history and those of other central banks in Europe. They have therefore turned to those options to try to leverage up the money they have already committed. That is the sensible choice for them, given those other constraints. They are trying to get other private investors from around the world, potentially including the involvement of sovereign wealth funds, to leverage up the fund.

Of course, I completely agree with the right hon. Gentleman that the sooner we get the agreement in detail, the better. That applies equally to what he said about private sector involvement in the Greek write-down. A mistake made earlier this year, on 21 July, was that eurozone members put together a deal and then took months to implement it and get the detail. He is completely right to say that yes, we made some good progress overnight, but the job is not finished yet. The eurozone now has to get the detail and reassure the markets that it has got a grip of the situation. That is where we will continue to exert British pressure.

Mr William Cash (Stone) (Con): In what respects does the Chancellor believe, and can he demonstrate, that the proposals for a two-tier Europe and a fiscal union do not represent a constitutional, economic and political fundamental change in the relationship between the EU and ourselves?

Mr Osborne: If my hon. Friend is referring, as I suspect he is, to the European Union Act 2011, there are clear procedures in place for establishing whether powers or competences are being transferred from the UK and this Parliament to Brussels. Those procedures are clearly set out, but I would say that it is in our interests that the euro works. That requires greater fiscal integration within the eurozone, which works to the benefit of Britain, provided that—this is an important proviso—we can continue to ensure that our voice is heard on issues that are for the 27 members, such as the single market, competition policy and financial services. That is what we will be fighting hard for in the coming months.

Kelvin Hopkins (Luton North) (Lab): I remain wholly unconvinced that the euro can survive in its current form, unless the weaker countries are permitted to recreate their own currencies and devalue. They currently face permanent deflation and permanent handouts from Germany. That is no future for them, and no future for Europe.

Mr Osborne: The hon. Gentleman has consistently made that argument for at least as long as I have been a Member of the House of Commons, and longer still. He probably takes some comfort in the fact that events over the past decade have tended to reinforce the views that he has expressed, but I would say this: it is in Britain's interest that we make the euro work. The disorderly break-up of the euro, or any break-up of the euro, would be an enormous economic blow for this country. Forty per cent. of our trade is with the eurozone.

If we set aside the arguments that we will have this autumn and next year about the domestic effects of the Government's policies—the Government will argue that they promote growth, and the Opposition will argue that they undermine it—everyone in the House would accept that instability in the eurozone has had a chilling effect on the British economy and other economies. If that is what a bit of instability and market volatility can create, let us just imagine what the break-up of the eurozone will do to this economy.

Michael Fallon (Sevenoaks) (Con): Will my right hon. Friend explain to the House what the consequences would have been for our membership of the IMF if those who had voted against the increase in our subscription had prevailed?

Mr Osborne: That would have been catastrophic. We would have been the only IMF shareholder not to have ratified the deal initiated at the London G20 summit, which would have completely isolated Britain. We might

[Mr George Osborne]

have had to leave the IMF, and we would certainly have lost our permanent seat on the board. We heard all the talk from the shadow Chief Secretary about ensuring that Britain is at the table—but she wants us to get up and leave the IMF table.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): In his statement, the Chancellor said, quite rightly, that the euro would not work unless the periphery countries regained their competitiveness. How is that possible if those countries do not have the full IMF package, including currency devaluation? In that context, does he think that the IMF will get its money back?

Mr Osborne: It is perfectly possible for areas within a monetary union to increase their competitiveness relative to other areas in the union—parts of the United Kingdom and the United States have done so in the past 20 or 30 years. It is possible, but it is very hard work—I agree with the sentiment that the hon. Lady is expressing—and requires people to tackle tough issues, such as labour market reform, pension ages, tax rates and so on, which, of course, are controversial. However, people in countries such as Italy, Spain and Greece have been confronted with the reality of the need to make change—although we will see whether they do indeed undertake that change. The IMF is the guardian of its own programmes and makes constant assessments of its programmes in Ireland, Greece and Portugal. I do not want to be premature, but I think that we are seeing substantial improvement in the Irish economic performance after the difficult decisions that they have taken in that country.

Mr Douglas Carswell (Clacton) (Con): The Foreign Secretary once described the euro as a "burning building". Might it not be an idea for us to help our neighbours get out of the building? We know that there is always an exit from monetary union, so why not help our friends to get out? Keeping them in at any price is in neither their interests nor ours.

Mr Osborne: My hon. Friend and I have discussed this matter before, and we disagree. What the Foreign Secretary said at the time—I remember because I was his speechwriter—*[Interruption.]* And there were some very good speeches at the time.

Chris Bryant (Rhondda) (Lab): Didn't he write any of his own speeches?

Mr Osborne: They were all written by him.

The Foreign Secretary described the euro as a "burning building with no exits".

That was his point. As I said, the break-up of the euro, disorderly or otherwise, this autumn or in the foreseeable future, would cause enormous instability to the entire global economy and do enormous damage to the British economy.

Natascha Engel (North East Derbyshire) (Lab): Will the Chancellor provide some clarification? He said that no UK funding would go to the euro bail-out. When he talked about supporting the IMF, therefore, did he mean with advice and suggestions only or is he using UK taxpayers' money to support it? If the latter, how will he force the IMF to ring-fence the money so that it does not pay for a euro bail-out?

Mr Osborne: Let me be clear to the hon. Lady. The IMF potentially has a role—but that is yet to be decided—in helping the eurozone to organise its special purpose vehicle, provide technical support and do all the things that it is very good at doing, which is stepping in and providing expertise. That is a perfectly legitimate role for the IMF. It has done it in other situations where trust funds and the like have been created around the world. However, we are saying that there should not be IMF resources going into this special purpose vehicle in terms of a lending programme. The IMF lends money to countries with conditions attached, and that is what it should do in the future. It is what its articles require it to do. We do not support, and I do not think that the IMF does either, changing those articles and allowing the IMF to lend money to the special purpose vehicle. We are against that and against Britain contributing to the special purpose vehicle, even if countries such as China or Chinese sovereign wealth funds do contribute.

Stephen Williams (Bristol West) (LD): I welcome the Chancellor's statement that resolving the immediate crisis in the eurozone and securing the long-term future of the euro currency are in Britain's national interest. However, does he agree that it is also in Britain's national interest to maintain full, positive and active engagement within the EU 27 member states in order to deepen the single market and increase intra-EU trade, which will benefit all member states?

Mr Osborne: I absolutely agree that there is a very important role for the EU27 to strengthen and deepen the single market and to promote free trade—the EU has just concluded a free trade agreement with South Korea that benefits the British economy directly. Also, the EU will have an important role in things such as financial services regulation, and it is important that that is discussed at the level of the 27, because we are such an important player in the financial services industry worldwide. So I completely agree with the hon. Gentleman. Britain has been absolutely clear in recent months that issues affecting the 27 should be discussed by the 27, not at the level of the 17 euro members. It has been partly through our insistence, with others, that there have been two European Councils and an ECOFIN this week to ensure that proper procedures are followed.

Mike Gapes (Ilford South) (Lab/Co-op): The Chancellor said that British interests should be properly protected when the eurozone countries move towards giving up national sovereignty and towards greater fiscal integration. Will he clarify how that will happen?

Mr Osborne: This is the argument that we have to make over the coming months and as the discussions start on whether there is going to be a future treaty change—although what is being talked about is a treaty change of a limited nature. We have to look for ways of securing Britain's influence and voice, and the influence and voice of the other nine EU member states that are not in the eurozone. That is absolutely top of our negotiating agenda. However, we also want to secure a rebalancing of the responsibilities between the EU and its member states, which will be another important part of the argument that we make.

Mr David Nuttall (Bury North) (Con): Does my right hon. Friend agree that now that the 17 eurozone countries have established the precedent of holding their own euro summit and have created yet another president, the president of the euro group, there is a real danger that they will start to agree policies to suit themselves and then impose them on the other 10 EU countries that, thankfully, like the UK, have not adopted the euro?

Mr Osborne: I agree with my hon. Friend that we have to be alert to the danger of the 17 eurozone members, which will have a qualified voting majority, caucusing on areas that are legitimately the preserve of the 27 member states. When this country, under the previous Government, allowed the eurogroup of Finance Ministers to be established and accepted that Britain would not be at that eurogroup, there was the fear that the eurogroup would caucus. That was one of the concerns of the then Government and Opposition. That actually has not happened. If anything, they have not co-ordinated and worked together closely enough over the past decade or so. However, he is absolutely right that we need to ensure that they do not caucus in the future in a way that undermines our voice and influence or that bounces all 27 member states. All member states not in the euro are alert to this challenge. Indeed, last night the Prime Minister had dinner with the Polish and Swedish Prime Ministers to discuss precisely that issue.

Mr Dave Watts (St Helens North) (Lab): Will the Chancellor be crystal clear? Is he guaranteeing that no British money will be used for this bail-out directly, through the IMF or through any other vehicle?

Mr Osborne: I can guarantee that British money is not going into the special purpose vehicle.

Mr Peter Bone (Wellingborough) (Con): The Chancellor is absolutely right to say that a disorderly break-up of the euro would be a disaster, but given that the euro is going to break up, should we not take the advice of the hon. Member for Rhondda (Chris Bryant) and organise an orderly break up of the euro?

Chris Bryant: That was not my advice.

Mr Osborne: I do not think that the orderly break-up of the euro, even if it were desirable, which I am not saying it would be, could be done in a way that would not lead to a pretty disorderly impact on financial markets and the British economy.

Chris Bryant: The hon. Member for Wellingborough (Mr Bone) is a very naughty boy and I shall see him afterwards.

Basically, Greece lied about its finances and Italy is probably still lying about its finances. It would have helped enormously had there been independent proper auditing of those countries' finances. Many people opposed that when it was proposed, but surely we should be advocating it now. The danger for the Government is that it might apply to all 27 countries, not just the 17 eurozone members.

Mr Osborne: Indeed. The statement talked about independent auditing of finance and independent growth figures on which to base fiscal projections, which is precisely what we have introduced in this country through the creation of the Office for Budget Responsibility. That will ensure that we do not get political pressure to alter the growth forecast of the type that the former Chancellor, the right hon. Member for Edinburgh South West (Mr Darling), detailed in his recent autobiography.

Mr Robert Walter (North Dorset) (Con): The 50% haircut has been described as a charge on the banks, but Greek sovereign debt is actually held by insurance companies, pension funds and hundreds of thousands of individual savers. Can my right hon. Friend tell us what is in the package—or what measures he thinks need to be taken—to restore confidence in the existing sovereign debt of the peripheral eurozone countries?

Mr Osborne: My hon. Friend's first point is a good one. The write-down of Greek debt ultimately has an impact on people who invest in Greek debt, either directly or—as is more likely for the general population of this country—through their pension funds and the like. Thankfully, British institutions were not that heavily exposed to the Greek banking system and economy, compared with other European countries such as France and Germany, but he is right that people will have taken losses. In Britain, the institutions that he mentioned all provisioned for Greek loss many months ago, so it will come as no shock to them. More broadly, he asked about confidence in the stock of debt, which is of course one of the challenges. The first loss guarantee that the agreement talks about is only for newly issued debt. We will have to see how the special purpose vehicle works as well, but in general, if there is confidence that there is a sufficient set of mechanisms in place to stand behind the euro and countries that are in trouble, that will also increase confidence in the stock of debt.

Tony Lloyd (Manchester Central) (Lab): The Chancellor might be surprised to know that if limited treaty changes are necessary to set up the inner 17, there would be support from the Opposition Benches for the limited changes needed to protect Britain's interests and for the capacity to build a coalition among the 10 non-eurozone members. However, a very real political question is whether the Chancellor and the Prime Minister will be able to withstand the pressure from their Back Benches for much more fundamental reform of the treaty.

Mr Osborne: I would hope that we would persuade all parties in this House. There is certainly strong agreement on the Conservative Benches that we want to rebalance the responsibilities and repatriate some powers. The Liberal Democrats and the Liberal Democrat leader have talked about rebalancing responsibilities—he did so earlier this week. *[Interruption.]* The shadow Treasury Minister, the hon. Member for Nottingham East (Chris Leslie), seems to forget the position set out by his party leader this weekend. When he was asked whether he thought that Brussels had too much power, he said no. That is the official position of the Labour party going into these negotiations. I know that Opposition Members look pretty glum about it, but that is what the leader they chose—or rather, they did not choose—has done for them.

Mrs Eleanor Laing (Epping Forest) (Con): Will the Chancellor explain to the House how it has come about that although the United Kingdom's deficit this year is larger than Greece's, our interest rates are similar to those in Germany?

Mr Osborne: My hon. Friend makes a good observation. Because of the credible fiscal plans that we have set out, we have secured confidence in Britain's ability to pay its way in the world, taken our credit rating off negative watch, which is where it was at the time of the general election, and secured for our country record low interest rates. Those interest rates would be at risk if we pursued the policies advocated by the Opposition, which would also be a rather bizarre position to take into the European Council discussions, when right at the top of the agreement signed yesterday is the statement that countries need to pursue policies of

"fiscal consolidation and structural reforms."

The Opposition have voted against every policy of fiscal consolidation and every policy of structural reform.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Does the Chancellor think that the 50% haircut of Greek sovereign debt will be sufficient and does he expect that holders of Italian debt will also need a trip to the barber's?

Mr Osborne: We think 50% is a very good number. We had in mind somewhere around 50%, and we wondered whether that would be achievable. One of the pleasant surprises of last night was that it was achieved. It is only a headline agreement, and as the former Chancellor said earlier, it absolutely needs to be put into practice now if this deal is to mean anything. I think it is best for me to stick to talking just about Greece.

Joseph Johnson (Orpington) (Con): RBS shares have jumped 7% this morning in response to the eurozone statement. Does the Chancellor share the markets' view that British banks are sufficiently capitalised to withstand not just the haircut to Greek debt, but any other eventualities that might arise in the eurozone over the next few months?

Mr Osborne: Yes, I am confident about that, which is also something that the Bank of England and the Financial Services Authority monitor carefully. The important thing about the test that the European Banking Authority applied was that it not only required banks to hold 9% core tier 1, but marked to market their sovereign debt exposures, which is something that the eurozone resisted for the last year and a half. Of course, the market has priced in some haircuts—to continue the barbershop analogy—of other sovereign debts. That does not mean that I think they will happen; they are what the market thinks will happen. The fact that we have now tested our banks against those marked to market on sovereign debt gives us confidence that the banking system in Britain can withstand whatever is thrown its way in the next couple of months.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Something that I do not often discuss with people in the House is the fact that for some years the previous Prime Minister, Tony Blair, his Chancellor and I chaired the committee on preparations for the euro, on which the present Secretary of State for Business, Innovation and Skills served, so I have some experience in this area. The Governor of the Bank of England said that we were in the middle of the worst crisis in the history of the international economy, but when I listened to today's statement, the Chancellor seemed to come across as extremely timid about this country's role in meeting that challenge.

Mr Osborne: I will have to thumb through the index of Peter Oborne's book, "Guilty Men", to see whether there is a reference to the hon. Gentleman. I will concede that there are a few references to some of my colleagues in that book, but I have a good alibi, which is that I was writing speeches for the Foreign Secretary at the time, making it clear what some of the problems were with the euro, and some of those problems have come to pass.

Chris Bryant: Who wrote the speeches?

Mr Osborne: As the Foreign Secretary used to say at the time, he wrote his own speeches, and I write my speeches today—and those who have written my speeches before me have got themselves into the House of Commons, which is a good thing.

The serious point that I would make to the hon. Member for Huddersfield (Mr Sheerman) is this. I completely reject his idea that Britain has been marginalised. We have actually insisted that such matters be discussed at the European Council and ECOFIN. A key component of today's agreement is the banking package, which is the area where there is most detail. There was a 10-hour negotiation to achieve the banking package last Saturday which Britain was right at the heart of, so we are at the centre of things. I suspect that the hon. Gentleman agrees with me that his party's Front-Bench policy to marginalise us from the IMF would also see us leaving that key negotiating table.

Mr Christopher Chope (Christchurch) (Con): Can my right hon. Friend confirm that the proposals for a financial transaction tax are now dead in the water?

Mr Osborne: I cannot confirm that they are dead in the water, because the eurozone is determined to pursue a financial transaction tax and talks about that in its statement. However, I can confirm to my hon. Friend that Britain will not accept a financial transaction tax at an EU27 level while other jurisdictions in the world do not impose one. We are not opposed to financial transaction taxes in principle—after all, we have stamp duty on shares in this country—but we will not have a financial transaction tax at a European Union level while countries such as America, China, Singapore and others do not have one. As their having one is a long way off, we will be waiting a long time—perhaps for ever—for a European Union financial transaction tax.

Mr Andrew Love (Edmonton) (Lab/Co-op): Over the next few years we are likely to see the emergence of a two-speed Europe, with the Government—or parts of the Government—going in exactly the opposite direction. What can the Chancellor and the Prime Minister do to ensure that we are not locked out of the fundamental decisions that will be made?

Mr Osborne: I just do not accept the premise behind the hon. Gentleman's question. The coalition agreement explicitly states:

"We will ensure that there is no further transfer of sovereignty or powers over the course of the next Parliament. We will examine the balance of the EU's existing competences".

The odd one out is the Labour party, which has set itself against taking any power from Brussels back to Britain. That is exactly what the Labour leader said this weekend when asked that question. I suggest that the hon. Gentleman use his lobbying efforts and his questions on his own party leader.

Mr John Baron (Basildon and Billericay) (Con): I for one do not share the optimism that the latest package of measures will do the job, if only because it does not address the fundamental cause of the problem, which is a lack of competitiveness. Can the Chancellor assure the House and the country that, if there were to be a further downward leg to the crisis, Britain will not be called on in any way to help financially with any further rescue packages, whether through the IMF or not?

Mr Osborne: As I have said to the House, Britain should not be part of eurozone bail-outs. We got ourselves out of—*[Interruption.]* I am answering the question. On coming to office, on the Sunday after the general election, the Labour Government committed us to being part of an EU bail-out of the eurozone. We have now got ourselves out of that, which is very important. We are also not contributing to the eurozone bail-out of Greece, which has just increased in size; nor are we going to contribute to any special purpose vehicle or fund that might be created. We are absolutely clear about that. When it comes to IMF resources, like every other country in the world that is a member of the IMF, including China, Thailand, Guatemala, the United States of America, Canada and Brazil, we of course contribute to its resources for the 53 programmes that it is currently carrying out across the world, and we will continue to do so. However, we are not prepared to see—and the articles of the IMF do not allow for—money from the IMF being put into a special purpose vehicle. So I think that the position is pretty clear.

Michael Connarty (Linlithgow and East Falkirk) (Lab): I would think much more highly of the Chancellor if he would actually admit that one reason that the banking system in the UK is not under threat is because the last Government and the people of this country bailed out the banks.

The right hon. Gentleman will recall that, as *Hansard* will show, I asked him last time about the possibility that they would require a £2 trillion fund, which most economists say they will, and that the so-called haircut—more Sweeney Todd than Vidal Sassoon—would be 60%. Surely we must be in the IMF and involved in funding through the IMF; otherwise the big bazooka that the Prime Minister has talked about will say "Made in China".

Mr Osborne: I am happy to acknowledge that the previous Government recapitalised the British banks. They were obviously under enormous duress at the time—*[Interruption.]* It is simply not the case, as the hon. Member for Nottingham East has just suggested, that the Conservatives opposed that. We supported it at the time; indeed, we were advocating it in advance of it happening. However, I completely recognise that it was a difficult decision for the previous Government to take.

On the question of the size of the fund, of course there are those who would like it to be even larger. We should welcome the significant progress that has increased its size severalfold to, potentially, around €1 trillion, which is a significant sum. The hon. Member for Linlithgow and East Falkirk (Michael Connarty) also asked an interesting question about what was happening during our time as Members of Parliament to the balance of economic force and power in the world. I suspect that we are going to spend many years talking about that in the period ahead.

Several hon. Members *rose—*

Mr Speaker: Order. I am keen to accommodate the remaining colleagues who are seeking to catch my eye, but I must remind the House that there is a business statement to follow, and a significant debate thereafter. I am therefore looking for brevity.

Mr James Clappison (Hertsmere) (Con): I welcome my right hon. Friend the Chancellor's approach, including his recognition that the division of responsibilities between the EU and member states has become unbalanced. Does he agree that the new proposals for fiscal integration and mutual control in the eurozone do nothing to reduce the case for a rebalancing of those responsibilities?

Mr Osborne: Yes, I think that I can agree with my hon. Friend.

Nick Smith (Blaenau Gwent) (Lab): Can the Chancellor update us on the situation regarding Cypriot banks, with their many customers in the UK and their tie-in to the Greek economy?

Mr Osborne: We keep under close surveillance not only British banks but the branches of Cypriot banks and the subsidiaries of other banks operating here in the UK. So we are closely monitoring the Cypriot banks, as we do with the other eurozone banks in Britain.

Ian Swales (Redcar) (LD): Has the Chancellor seen any credible figures that show that Greece can solve its long-term deficit and debt problems and still remain in the eurozone?

Mr Osborne: Yes, I think that there are plenty of things that Greece can do, which the Greek Government have already identified, to make itself much more competitive. It is coming from a long way behind, but it can do quite a lot in regard to its labour market, its pension ages, its tax rates and the like that would make it considerably more competitive than it is today.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Can the Chancellor please give us more details of how he intends to represent the UK's interests, given that the eurozone countries have their own separate president and summits?

Mr Osborne: Eurozone Finance Ministers' meetings are already held every month—that was agreed by the previous Government—and there is now an agreement to hold two eurozone Heads of Government summits a year. There have been two this year already, but we should not regard that as a fundamental threat; we have to allow them to get together to better manage their own currency. We are, however, looking at proposals that have been put forward here for those summits to take place after the EU27 leaders gather, rather than before, so that we do not have any caucusing in advance of a meeting of the European Council.

Dr Sarah Wollaston (Totnes) (Con): How confident is my right hon. Friend that countries such as China will want to contribute to the special purpose vehicle, and what will happen if they do not?

Mr Osborne: The short answer is that we will find out whether China wants to contribute. The President of France is speaking to the President of China today, and he will no doubt give us all an update following that conversation.

Mr Wayne David (Caerphilly) (Lab): Much to the annoyance of some of his Back Benchers, the Chancellor supports greater fiscal integration within the eurozone, but what precisely does he mean by greater fiscal integration?

Mr Osborne: I think that the hon. Gentleman is being a little unfair to Conservative Back Benchers. Actually, quite a lot of Eurosceptics would argue—as I would, as a Eurosceptic—that we always said that this would happen if we joined the single currency. We always said that it would result in losing national sovereignty, co-ordinating budget policies or giving away powers over budgets. That is one of the reasons that we did not want Britain to join; it is why we stayed out. Given that monetary union logic leads to greater fiscal integration, we should let that happen, because I think that it will make the euro work better. As I have said, however, Britain wants no part of it.

Robert Halfon (Harlow) (Con): Harlow taxpayers will be very relieved that none of their hard-earned money is to be used to prop up failed socialist Governments in Europe. They will also want to be sure, however, that my right hon. Friend will do all that he can to repatriate powers from Europe, unlike Labour Members, who believe that everything in the EU garden is rosy.

Mr Osborne: I absolutely agree with my hon. Friend that we are going to seek to rebalance those responsibilities. He also draws our attention to the fact that Greece and Spain are run by socialist Governments, but I do not want to intrude on their politics.

John Mann (Bassetlaw) (Lab): Having just taken credit for letting Greece off half its debt at the expense of, among others, British pensioners, what provisions would the Chancellor advise British institutions to make in regard to Italian debt?

Mr Osborne: I am not providing that advice across the Dispatch Box, but the Financial Services Authority, the Bank of England and the Treasury monitor British financial institutions to ensure that they are appropriately prepared for things that might happen. The European Banking Authority test that I have talked about takes into account a mark to market on the sovereign debt exposures of countries such as Italy and Spain.

Mr Rob Wilson (Reading East) (Con): The Opposition have talked a lot about Britain's marginalisation, so may I say that I welcome the fact that the Prime Minister attended yesterday's meeting because I know that the Leader of the Opposition would much prefer President Sarkozy to represent this country? Will my right hon. Friend confirm that while he is Chancellor he will do everything he can to ensure that a British Prime Minister represents British interests in Europe?

Mr Osborne: I can just say yes to that.

Jonathan Ashworth (Leicester South) (Lab): May I just press the Chancellor a little further on the Prime Minister's desire to repatriate powers over employment and social policy? What discussions has he had so far with eurozone Finance Ministers on these matters and how many of them would he expect to support the Prime Minister's position?

Mr Osborne: The discussions on treaty change, which the Council conclusions on the eurozone mention, have only just begun, so I have not had those discussions.

Jason McCartney (Colne Valley) (Con): Would my right hon. Friend anticipate how his international counterparts would have reacted at recent EU summits if he had argued that, as advocated by Labour Members, the UK should increase its borrowing by the end of this Parliament by up to £87 billion a year?

Mr Osborne: We would, of course, have been laughed out of the summit. We would not even have been able to sign up to the Council's conclusions. The Labour party policy has no plan to reduce the deficit—*[Interruption.]* Well, if there is a plan, let us hear it. Let us hear one example. The Labour party has no plan to reduce our deficit, which is higher than that of almost any of the countries we have talked about. It has a plan basically to pull us out of the International Monetary Fund and a plan to join the euro—such plans would be treated as slightly bizarre at some of these meetings.

Sheila Gilmore (Edinburgh East) (Lab): More constituents have contacted me about the financial transaction tax than ever contacted me about Monday's debate. They will be pleased to have heard the Chancellor say that he supports this in principle. Will he go to the G20 to argue vigorously in favour of this tax?

Mr Osborne: What I would say about the financial transaction tax—*[Interruption.]* I am not sure that it is Labour policy. There is a debate about this tax, but attached to it is a serious red herring. People would like a financial transaction tax to be used to pay for the aid commitments into which big western countries entered. That is what all the non-governmental organisations that contacted the hon. Lady and others are arguing for. Britain is meeting its international aid commitments out of its own resources, and we do need a financial transaction tax across Europe for other countries to meet the aid commitments they entered into. When it comes to the principle of the financial transaction tax, one cannot oppose it, as we have a stamp duty on shares, but I would say that if we impose such a tax in Europe, all the business would disappear overnight to Hong Kong, Singapore and elsewhere. We know that because that is what happened when the United States imposed a form of transaction tax on the euro-dollar market—it moved to London—and when Sweden introduced a financial transaction tax in the early '90s, its entire business moved to London almost immediately. We have many case-studies. I understand why people are emotive about this issue, but surely the question is, "Are you meeting your aid commitments?"—and this country is. We should all be proud of that.

David Rutley (Macclesfield) (Con): Following the deal on the eurozone, I understand that Italian media and Italian businesses are calling on Mr Berlusconi to copy this Government's approach to deficit reduction. Does my right hon. Friend agree that Italy and other eurozone countries would have been far better off if they had followed that course of action long before now?

Mr Osborne: I think they would have been in a better position if they had got ahead of the pressure from the markets rather than being pursued by them. That is precisely what this Government did in Britain. The markets are, for many people, an abstract idea, but as we have discussed, we are talking ultimately about the decisions of many millions of investors and people with pensions, life insurance policies and the like about where they put their money. If they do not have confidence in a country's ability to pay its way in the world, that money disappears almost overnight.

Gordon Banks (Ochil and South Perthshire) (Lab): Has the Chancellor had an opportunity to carry out the work that will determine if, when and by how much last night's decision will impact on UK growth? If he has not had that opportunity, will he undertake to come back to us so we can have further debate on that very matter?

Mr Osborne: The honest answer to the hon. Gentleman's perfectly good question is that, on the morning after the night before, we do not know because important details remain to be resolved. We need to see the detail of how this 50% write-down of Greek debt is going to happen and we need to see how the new firewall will work in practice. We have to see the details: until they are in place, this will remain unresolved and the instability might return. The answer to the hon. Gentleman's question is that when the detail is in place, we should be able to make an assessment of whether it has calmed the markets and improved the UK growth position.

Mr Julian Brazier (Canterbury) (Con): While strongly supporting my right hon. Friend's robust defence of the national interest, may I ask him what the statement means where it says "to provide, from the bail-out fund", presumably the existing bail-out fund, "insurance on new debt issued by eurozone countries", presumably including Italy?

Mr Osborne: The concept here is that first-loss insurance on newly issued debt from countries such as Italy, as my hon. Friend mentions, would be provided out of the special purpose vehicle. That would obviously make it easier for investors to buy bad debt.

Neil Carmichael (Stroud) (Con): I welcome the Chancellor's statement that some progress has been made to protect the eurozone. In parallel with repatriating powers, will the British Government make it absolutely certain that the single market becomes a place where competition can thrive and productivity can improve, as it is in our interest as well as that of the whole of Europe to make sure that it works well?

Mr Osborne: I could not agree more with my hon. Friend. The European single market has helped the UK economy over the last couple of decades. We want to see it completed further and we want to see the services directive properly implemented. Competition has brought great benefits not just to the economy, but to European consumers, including those in this country. To my mind, that is what the European Union exists to do. It should make its contribution to growth across the continent.

Penny Mordaunt (Portsmouth North) (Con): Will my right hon. Friend assure my constituents that the euro preparations unit has been abolished and that under this Government it will never be re-established?

Mr Osborne: That is an easy assurance for me to give to my hon. Friend's constituents. There was a euro preparations unit in the Treasury when I arrived. It was shut down and it will not be reopened.

Henry Smith (Crawley) (Con): Can my right hon. Friend confirm that when the previous Government signed this country up to the Nice treaty 10 years ago, they also signed away our veto on financial assistance to European nations?

Mr Osborne: I can confirm that we have lost our veto on financial assistance. That was one of the issues with the so-called EFSM—the European financial stabilisation mechanism—which was the EU27 bail-out fund, which we joined a couple of days before this Government were created. Getting us out of it—*[Interruption.]* The former Chancellor's memoirs are very clear about this.

Chris Leslie (Nottingham East) (Lab/Co-op): Who wrote them?

Mr Osborne: The former Chancellor wrote them! What I would say to my hon. Friend is that we did not have the power to veto disbursements from the EFSM, so we had to negotiate our way out of it. That is precisely what the British Prime Minister has done.

Christopher Pincher (Tamworth) (Con): We hear Labour Members suggesting that Britain is somehow isolated from other members at the EU table, but does the Chancellor agree that what they forget is that by refusing to rule out joining the euro and by insisting that more powers be ceded to Brussels, they are isolating themselves from the broad mass of the British people?

Mr Osborne: I completely agree with my hon. Friend. It is a remarkable position for the Labour leader to take when he says:

"I don't think Brussels has too much power."

What sort of negotiation would it be if he were in charge?

Nigel Mills (Amber Valley) (Con): I, too, welcome the Chancellor's efforts to protect British taxpayers from further bail-outs. I also welcome his statement that the International Monetary Fund exists to support countries that cannot support themselves, but I reiterate my concern that the IMF does not end up supporting a currency if a country chooses not to take the right action.

Mr Osborne: My hon. Friend has made a good point. The IMF exists to support countries, and supports 53 at present. It does not exist to support currencies.

Andrew Selous (South West Bedfordshire) (Con): Can the Chancellor tell us how on earth it can be the case that, although it has a larger deficit than Greece, the United Kingdom enjoys German levels of interest rates?

Mr Osborne: That is because this Government, in the teeth of opposition from the Labour party—which created this mess—have established fiscal credibility, brought our interest rates down, and ensured that while we may talk about the bail-out of some European countries, we are not talking about the bail-out of Britain.

Business of the House

12.40 pm

The Leader of the House of Commons (Sir George Young): The business for the week beginning 31 October will be as follows:

MONDAY 31 OCTOBER—Instruction relating to the Legal Aid, Sentencing and Punishment of Offenders Bill, followed by remaining stages of the Legal Aid, Sentencing and Punishment of Offenders Bill (Day 1).

TUESDAY 1 NOVEMBER—Continuation of remaining stages of the Legal Aid, Sentencing and Punishment of Offenders Bill (Day 2).

WEDNESDAY 2 NOVEMBER—Conclusion of remaining stages of the Legal Aid, Sentencing and Punishment of Offenders Bill (Day 3).

THURSDAY 3 NOVEMBER—General debate on the Silk commission.

The provisional business for the week commencing 7 November will include the following:

MONDAY 7 NOVEMBER—Money resolution relating to the Localism Bill, followed by consideration of Lords Amendments to the Localism Bill.

TUESDAY 8 NOVEMBER—If necessary, consideration of Lords amendments, followed by motion to approve a European document relating to European budgets, followed by motion to approve a reasoned opinion relating to credit institutions, followed by business nominated by the Backbench Business Committee.

WEDNESDAY 9 NOVEMBER—Opposition day [unallotted day]. There will be a debate on an Opposition motion, subject to be announced.

THURSDAY 10 NOVEMBER—General debate on armed forces personnel.

I should also like to inform the House that the business in Westminster Hall for 3 and 10 November 2011 will be as follows:

THURSDAY 3 NOVEMBER—Debate on shale gas, followed by debate on electricity market reform.

THURSDAY 10 NOVEMBER—Debate on funding of social care.

Ms Angela Eagle (Wallasey) (Lab): Last Monday was the 50th anniversary of the first session of Prime Minister's questions. I am surprised that the Leader of the House did not mention that. I know how much you enjoy those occasions, Mr Speaker.

When I looked it up, I found that the first such occasion featured an old Etonian Tory Prime Minister, Harold Macmillan, fielding questions about his negotiations to get us into the "common market." Fifty years on, the latest Old Etonian Tory Prime Minister spent the day frantically pleading with his own side not to vote for a referendum to get us out of it. Macmillan was famous for his "little local difficulties". I think that the current Prime Minister now has 81 "little local difficulties" of his own making, and more in the Cabinet. Can the Leader of the House tell us whether the PM will follow Supermac's example, and resort to a "night of the long knives" to deal with them?

This Government's flawed choice to cut too far and too fast before the recovery was secure stalled growth in the economy long before the eurozone crisis. Despite

the most ferocious squeeze in living standards for generations, their only plan is to abolish employment rights for millions of people in the workplace. May we have a debate on this week's leaked report from millionaire financier Adrian Beecroft, which calls for the scrapping of protections against unfair dismissal, and says that creating that insecurity for millions of people at work is "a price worth paying"? Can the Leader of the House tell us why owning four Aston Martins and making lavish donations to the Tory party qualify Mr Beecroft to have a worthwhile opinion on anything?

Last week the Leader of the House told us that rushing forward the debate on EU reform from Thursday to Monday would allow the Foreign Secretary to enrich it with his presence. Can he tell the House how large the Tory rebellion would have been if the Foreign Secretary had not enriched the debate with his presence? And, given that this was the biggest rebellion on Europe in any political party since the dawn of time, can he tell us who is taking the blame? Tory blogger Tim Montgomerie blamed the Prime Minister, accusing him of having a work ethic which is the "opposite of Margaret Thatcher's". Apparently our Prime Minister is more interested in the latest box sets than in his red boxes. This week he has obviously been watching too much of "The Sopranos" and not enough "Friends". *[Laughter.]*

Gavin Barwell (Croydon Central) (Con): Ah! It was a joke!

Ms Eagle: Shall I say it again, then?

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): It is a repeat.

Ms Eagle: Indeed. Perhaps I should repeat it.

Is it not clear that the Prime Minister's plans backfired spectacularly, with half his own Back Benchers defying him? Today we learnt that the Secretary of State for Work and Pensions has threatened to leave the Cabinet if he is ever forced to vote against his Eurosceptic instincts again, and now we learn that the Justice Secretary has been suddenly pulled out of today's debate on the Council of Europe, just in case he says something nice about the EU and further alienates the Tory rebels. What has it come to in today's Tory party when Eurosceptics are bullied and pro-Europeans are gagged?

Given that last night's welcome agreement in Brussels brings the prospect of a treaty change much closer, can the Leader of the House tell us what the Government's policy on Europe is now, and may we have a debate about it? While he was getting the Whips to bully them, the Prime Minister was trying to appease his mutinous Back Benchers by promising them reform tomorrow. The next day, his deputy vetoed it. The Prime Minister wants to repatriate powers, whereas the Deputy Prime Minister says that that "won't work" and is "condemned to failure". Which is it?

Speaking of the Deputy Prime Minister, his reward for rubbing salt in Eurosceptic wounds this week is being allowed to blow an extra half a million pounds a year on seven new Liberal Democrat special advisers. That is apparently intended to "bolster" Liberal Democrat influence in Whitehall. Perhaps, in the light of all this confusion and contradiction between the Prime Minister and his deputy, we should have a debate about what plans the Government have to repatriate powers from the Liberal Democrats. Is it not the case that the past few days have exposed a weak Prime Minister leading a divided Government, too busy fighting internal battles to fight for Britain's interests?

Sir George Young: The hon. Lady is right: this is the 50th anniversary of the first session of Prime Minister's questions. I think that the Prime Minister enjoys the event more than the Leader of the Opposition.

I remind the hon. Lady that Supermac never lost an election. As for rebellions, she seems to think that they have happened only under the coalition Government, but the last Government endured much bigger rebellions. In March 2007, 94 Labour MPs voted to delay Trident, and even the hon. Lady has a history of dabbling in rebellions on issues such as foundation trusts.

Let me deal briefly with some of the other issues that the hon. Lady raised. We are committed to reforming employment law, supporting business and encouraging growth, while—crucially—ensuring that we do not weaken the employment rights of workers up and down the country; and we do not comment on leaked reports such as the one to which the hon. Lady referred.

We have just heard a statement on Europe, in which the Chancellor addressed the issue of treaty change. My party is united behind the Prime Minister's vision for reform in the European Union, and indeed that is an aspiration shared by many across the continent. I agree with Lord Ashdown, who said in an interview yesterday:

"I don't think Europe needs to be as intrusive as it is and so does Nick Clegg."

As for the treaty, the hon. Lady will know what the coalition agreement says:

"We will examine the balance of the EU's existing competences".

That remains the position. The coalition parties are in total harmony on the issue.

Mr Greg Knight (East Yorkshire) (Con): May we have a debate on happiness? [Hon. Members: "Hear, hear."] Is the Leader of the House aware that from this weekend onwards, for several months, many millions of people will be less happy than they could be as Britain is plunged into darkness by early afternoon after we have put our clocks back? If we cannot have a debate, may we have action in future to end this unnecessary and depressing ritual?

Sir George Young: I am grateful to my right hon. Friend, who has campaigned long and hard on this important issue. He will know that a private Member's Bill has been tabled on the specific subject that he has raised. It has received a Second Reading, and the Government are considering their position and consulting the devolved Assemblies which have an interest in the issue. We want to reach a consensus and make progress.

Jim Sheridan (Paisley and Renfrewshire North) (Lab): May we have an informed debate about the right of public service workers to be appropriately represented at their workplace? Unfortunately, the sponsor of last night's Adjournment debate was ill-informed and perpetuated the myth that trade unions are "the enemy within." He represents the same party that heaps praise

[Jim Sheridan]

on our emergency service workers, but seeks to deny them proper representation at their workplace, which is utter hypocrisy.

Sir George Young: As the hon. Gentleman said, we had an Adjournment debate on this subject last night. I am sure that the Minister replying to that debate made an informed contribution and dealt seriously with the issues raised. I cannot promise another such debate in Government time in the near future.

Several hon. Members *rose—*

Mr Speaker: Order. May I remind the House that Members who have not been present from the start should not expect to be called?

Mr Stewart Jackson (Peterborough) (Con): May we have a debate on freedom of speech? Mr Peter Tatchell—a gentleman for whom I have some admiration—has today attacked the Trafford Housing Trust for its despicable decision to downgrade the position and cut the salary of Mr Adrian Smith, a Christian, for posting private comments on his own private Facebook account on the subject of gay marriage. Should we be putting public money into an organisation that is, effectively, propagating state-sponsored intolerance?

Sir George Young: I am a firm believer in freedom of speech and freedom of worship. Of course people should obey the law of the country. I will draw this incident to the attention of the Minister for Housing and Local Government, to see whether there is any action to be taken either by him or the Housing Corporation.

Natascha Engel (North East Derbyshire) (Lab): The Backbench Business Committee has experienced a large increase in demand for debate time as a direct result of the introduction of e-petitions. As it is in the Leader of the House's gift to give debate time to the Backbench Business Committee, will he recognise that his introduction of e-petitions and assigning the Backbench Business Committee to deal with them has led to this enormous increase in demand on time, and therefore allocate extra time, ring-fenced specifically for e-petitions?

Sir George Young: May I begin by commending the work of the Backbench Business Committee and the hon. Lady in chairing it? Three petitions have passed the threshold. Her Committee has found time for one in Westminster Hall and one in the Chamber, and the third is before her at the moment. I commend the way in which the Committee has handled those petitions. There will be an opportunity to review both the e-petition regime and the work of the Backbench Business Committee, and the Procedure Committee will conduct a broader review of the calendar, which is the context in which we should address the hon. Lady's concern about how we might find more headroom for the Committee to respond to the many demands on its time.

Bob Russell (Colchester) (LD): On the question of happiness, the Leader of the House may be interested to know that 50 years ago this very week Helen Shapiro was top of the hit parade with "Walking Back to Happiness".

I welcome the upcoming armed forces debate, but will the Leader of the House ensure that Ministers are well briefed on the future of the Ministry of Defence police and on housing for the families of military personnel?

Sir George Young: I am delighted to see that my hon. Friend is happy, as he usually intervenes on matters relating to the Independent Parliamentary Standards Authority, when he is far from happy. I thank him for his welcome for the armed forces debate. As he knows, there used to be regular armed forces debates in Government time, but responsibility for finding time then passed to the Backbench Business Committee. It has not so far been able to find time for such a debate—we understand why as we have just heard from the hon. Member for North East Derbyshire (Natascha Engel) about the time pressures facing the Committee—so the Government have provided a debate in the run-up to Armistice day. We think that that is an appropriate time for the House to remember those who serve in the armed forces, especially as it will now also be held against the backdrop of the ending of action in Libya. We think it is appropriate that the House should have a debate on this subject, which it has not discussed for a year.

Mike Gapes (Ilford South) (Lab/Co-op): I understand that the Secretary of State for Health is due to make a statement of some kind at 1 o'clock today on the Government's response to the Independent Reconfiguration Panel findings on the future of health services in north-east London, including King George hospital in my constituency. This morning, the Care Quality Commission published a damning report on the Barking, Havering and Redbridge University Hospitals NHS Trust, criticising poor management and some poor staff attitudes, and saying that the attempt to cut the deficit had led to reductions in the quality of care and that the transfer of services from King George hospital to the Queen's hospital had not led to efficiency savings. May we have an early debate on these matters? I understand from the Secretary of State's private office that he is due to make a statement in six minutes' time, but neither I nor any of the other eight MPs representing the area—all of whom have been campaigning hard to save services at the hospital—have yet been informed of what is in that statement.

Sir George Young: I understand the hon. Gentleman's concern about health service provision in his constituency. My understanding is that the Secretary of State for Health will shortly make a decision on this issue, which arises from the work of the panel on reconfiguration of services. When the Secretary of State has made his decisions, the Members concerned will be informed in the usual way, and I am sure he will take into account all relevant information, including any from the CQC.

Martin Vickers (Cleethorpes) (Con): When I served as a church warden, I was advised that it was an offence to prevent any worshippers from attending divine service, and that as a church warden I had the power of arrest within the churchyard. I never had to test that, but given the confusion at St Paul's cathedral, may we have a statement on the legal position?

Sir George Young: I commend my hon. Friend on his work as a church warden for the Church of England. As I understand it, there has been a resignation at

St Paul's. So far as I know, the protestors have not closed a bank or caused a single banker to resign, but they have closed St Paul's and caused the resignation of a cleric who was committed to their cause. The legal situation is complex, as there is a variety of land ownership surrounding St Paul's. My understanding is that the City of London Corporation is in touch with the Church authorities to see if they can reach agreement on the way forward. In the meantime, I hope that the protestors will heed the advice from a number of sources, not least the Bishop of London, that they should stop their protest and allow free access to St Paul's.

Fiona Mactaggart (Slough) (Lab): Domestic violence costs the economy more than £6 billion, and research shows that it is three times more likely to occur when couples are under financial strain. On Monday, the Prime Minister was unable to tell me three ways in which his Government have helped women's contribution to the economy. In view of that and the fact that the Bill we will start discussing next Monday will reduce access to legal aid for women victims of domestic violence, may we have a statement from the Government on what they have done to protect women from domestic violence?

Sir George Young: Only a few days ago, we had a debate in which we assisted women by changing the pension age arrangements, and there will be opportunities to discuss domestic violence in the three days next week that we debate the Legal Aid, Sentencing and Punishment of Offenders Bill. The hon. Lady will also know that on Tuesday of this week the Home Secretary started a consultation on Clare's law, which will bring real help to those suffering from domestic violence by giving people the right to know, or a right to ask, whether they are with a partner who has a history of violence. We have, therefore, taken a number of steps to protect women liable to domestic violence, and next week there will be an opportunity to pursue the agenda further.

Kwasi Kwarteng (Spelthorne) (Con): My constituency in Middlesex is driven by small business. May we have a debate on tax and tax reforms, and their effect on small business?

Sir George Young: My hon. Friend is right that small and medium-sized enterprises are the drivers of economic growth, and he may have an opportunity to raise the topic when my right hon. Friend the Chancellor makes his autumn statement in November. In the meantime, my hon. Friend will know that we have extended the small business rate relief holiday for a year, we are working to abolish 43 tax reliefs in the system to come up with a better regime, and we are cutting corporation tax to the lowest rate in the G7. I hope that will help small businesses in Spelthorne.

Pete Wishart (Perth and North Perthshire) (SNP): Does the Leader of the House think it is ever right or appropriate for a Chair of a Select Committee to threaten a female member of that Committee with getting "a doing"?

Sir George Young: My understanding is that, whatever happened in the Scottish Affairs Committee, the Chairman has apologised and I think that is the right action for him to take.

Angie Bray (Ealing Central and Acton) (Con): Ealing recently held its first public scrutiny meeting on the aftermath of the riots. One of the main concerns was the slowness with which insurance companies have been responding to claims from riot victims. If that is the case, it is totally unacceptable. Will my right hon. Friend raise the matter with the Business Secretary and perhaps ask for a statement to be made to the House?

Sir George Young: It would be quite wrong of insurance companies to penalise the victims of the riots by withholding the compensation to which they are entitled. I say in passing that my right hon. Friend the Secretary of State for Communities and Local Government has extended the period during which businesses can claim for compensation. I will certainly raise the matter with my right hon. Friend the Secretary of State for Business, Innovation and Skills, who may want to raise it with the Association of British Insurers. I am sure that individual Members of Parliament will take up any case where an injustice has been done to their constituents, and pursue it directly and vigorously with the insurance company concerned.

Huw Irranca-Davies (Ogmore) (Lab): Recently, a female constituent of mine came to a surgery very concerned that she could not get access to a life-saving cancer drug, Femara. This is not to do with the National Institute for Health and Clinical Excellence, as the drug is available and regularly prescribed. What she could not do is access it in her chemist, and this is now happening throughout the United Kingdom. Will the Leader of the House find time for a debate in Government time on access to prescribed drugs and on the merits or otherwise of a public service obligation, as every other European country has, to make sure that not only do wholesalers provide these vital life-saving drugs and they are distributed, but every chemist holds stocks of them?

Sir George Young: I understand the force of the hon. Gentleman's argument. We debated health provision yesterday, although I am not sure whether he had the opportunity to raise the matter then. I will raise it with my right hon. Friend the Secretary of State for Health and ask him to write to the hon. Gentleman, reacting to the strong case that he has just made.

Richard Fuller (Bedford) (Con): May we have a debate on Government transparency? Hard-working taxpayers are learning today that the previous Government spent hundreds of pounds in an Australian casino. We do not know whether they put all the money on red, we do not know whether they blew it all and we do not know what they did with any winnings, but that is just one example of the misuse of Government procurement cards. Can the Leader of the House also tell us what the Government are doing to crack down on such excesses?

Sir George Young: The Government strongly believe in transparency. My hon. Friend will know that our right hon. Friend the Minister for the Cabinet Office and Paymaster General is today publishing details of all credit card expenditure of more than £500 made in recent months. We have borne down on the use of credit cards within the public sector, but we believe that transparency has a key role to play. I commend my right

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hon. Friend for publishing details of spending on Whitehall procurement cards which, as my hon. Friend indicated, has a number of interesting avenues that I am sure the media will want to explore.

Nic Dakin (Scunthorpe) (Lab): This has been a good week for the Backbench Business Committee. A few months ago, we had a debate in this Chamber about the use of wild animals in circuses, in which the view of the House was very clear. May we have a statement to the House on the progress the Government are making in addressing what they perceive are the legal obstacles to carrying out the will of the House in that respect?

Sir George Young: The Backbench Business Committee exists because the coalition Government set it up; the previous Administration failed to do that. I will certainly make inquiries about any legal obstacles that impede the will of the House, as expressed in that debate, being carried forward, and I will ask the Minister concerned to write to the hon. Gentleman.

Guto Bebb (Aberconwy) (Con): I welcome the announcement of the decision to hold a debate on the Silk commission in Government time, and I warmly welcome the opportunity to debate that important issue of highlighting the fiscal responsibility of the Welsh Assembly. What assurances can the Leader of the House give me regarding the time that will be allocated for that debate, to ensure that the subject is fully discussed in this House?

Sir George Young: My hon. Friend will know that traditionally there has been a St David's day debate on Welsh affairs and that in this Parliament we have not had a debate on Wales. Given the pressure on the Backbench Business Committee, we felt that it was right to debate the Silk commission, which addresses issues of the governance of Wales. The Secretary of State for Wales and, indeed, the commission will want to know the views of the House, and we have provisionally allocated a whole day's debate for that important matter.

Graham Jones (Hyndburn) (Lab): Hundreds of my recently unemployed constituents have heard about job vacancies in the Palace. These are jobs working with charities, offering first-class travel and 40 lavish overseas trips. If the job application forms were made available in Accrington jobcentre, I am sure that we would get a high calibre of applicant. May we have a statement on why those job application details are not available in Hyndburn and Haslingden?

Sir George Young: I am not sure that I have correctly understood the hon. Gentleman's question. Is he referring to job vacancies in the Palace of Westminster? Is that the thrust of his question?

Graham Jones: Within the Palace.

Sir George Young: Jobs within the Palace come from a variety of sources: some are from individual Members and some are from the House of Commons Commission. The House of Commons Commission, as an equal opportunities employer, advertises jobs in the normal way, and I am sure that we would welcome applications from the hon. Gentleman's constituents.

Robert Halfon (Harlow) (Con): May we have an urgent debate about the incompetence and inefficiencies of the Child Support Agency? Three constituents of mine, David Kidd, Rodney Zuna and Mark Lavery, have been very poorly treated by that organisation. In the case of Mr David Kidd, the CSA is refusing to pay money that is rightfully owed to him after he was found not to be the father of a child, and the situation is causing him immense hardship. Will the Leader of the House raise this issue with Ministers?

Sir George Young: I will certainly contact Ministers at the Department for Work and Pensions and ask them to pursue the individual case raised by my hon. Friend. We all know from our own casework that the CSA generates a fantastic amount of work. The Government are in the process of reforming the child maintenance system by putting the child first, encouraging parents to come to an agreement about financial support and then providing statutory back-up where that is impossible. We believe that that will be a better system than the one we have at the moment.

Diana Johnson (Kingston upon Hull North) (Lab): In the light of this week's comments by Jamie Oliver about school food, may we please have a debate about school dinners and whether the Government have any commitment to them at all?

Sir George Young: The Government are committed to the provision of free school meals with appropriate nutritional content. I would personally welcome such a debate. I cannot provide Government time for one but I am sure that the Backbench Business Committee or you, Mr Speaker, might respond to an application for a debate on the Adjournment.

Gavin Barwell (Croydon Central) (Con): At the Quest academy in my constituency 41% of pupils got five good GCSEs, including English and maths, this year. That was an increase from the 23% figure that the previous school, Selsdon high, got just a year ago, making the Quest academy one of the most improved schools in the country. Other neighbouring schools—Edenham high school, Shirley high school and the Oasis academy—also saw big improvements. May we have a debate on how the Government's education reforms are transforming the life chances of deprived children in my constituency?

Sir George Young: We would welcome such a debate, and I hope that the Opposition, who have an Opposition day or two in the weeks ahead, might choose education as a subject for debate. We heard yesterday their somewhat confused position whereby they are in favour of free schools individually, but oppose the policy that generates them.

Mr Dave Watts (St Helens North) (Lab): Given the fact that the Prime Minister on three separate occasions refused to list the powers that he wants to bring back from Brussels, may we have an urgent statement on the matter so that he can spell out clearly to the British people which powers he wants to bring back from Brussels? Is he afraid to do so?

Sir George Young: The Prime Minister answered questions on this matter for an hour on Monday and he answered questions yesterday. If the hon. Gentleman

looks at the coalition agreement, he will find a specific example of where we want to get powers back—it concerns the working time directive.

Mr Tobias Ellwood (Bournemouth East) (Con): When I was born, the global population was 3 billion. It is about to breach 7 billion, and although I can say that I have modestly added to that, it is not all my fault. Such increase is unsustainable, as it will put undue pressures on water, food and even jobs. May I invite the Leader of the House to enable us to debate that very difficult subject, which we need to embrace in the future?

Sir George Young: We are all in this together. The figures that I saw, which I believe were published yesterday, showed that two thirds of the increase in the UK's population was due to immigration, with the rest being due to increased longevity. On immigration, my hon. Friend will know the steps being taken by the Home Secretary to reduce net migration down to tens of thousands rather than hundreds of thousands. The steps we have taken regarding students, spouses and workers will all have a downward impact on the future UK population, which I hope he will welcome.

Michael Connarty (Linlithgow and East Falkirk) (Lab): I wonder if the Leader of the House will encourage the Government to have an investigation and make a statement or create a debate on the operation of the 2002 commercial debts Act? I have found, through the wonderful scheme of being a business buddy for the federation of private business, that small businesses find that many bigger companies still write into their contracts a 90-day payment period, even though the Act states 30 days, and even SELECT, the electrical engineering group, says the same. The big businesses are bullying small businesses out of their rights under the Act, and I want to know what the Government are going to do to enforce that Act.

Sir George Young: We have just had Department for Business, Innovation and Skills questions; I do not know whether the hon. Gentleman had an opportunity to raise this issue then. I shall draw the matter to the attention of the Business Secretary to see whether there is abuse of that piece of legislation and, if so, what action we can take to stop it.

Mr Peter Bone (Wellingborough) (Con): Monday's historic debate was a great success for Parliament. The mother of Parliaments was watched by our nation and we had 90-odd Members participating in the debate. They spoke from their hearts and when the Division came Members from all three major parties voted differently. One point that has not been established, though, is that that debate could not have taken place had the Leader of the House not personally driven through the e-petitions process, and I do not think the Prime Minister has given him the credit for Monday's debate that he deserves. Could we have a statement from the Leader of the House next week on ensuring that we have more such debates?

Sir George Young: May I take this opportunity to congratulate my hon. Friend on his first-class winding-up speech to that debate, which I am sure had an important impact on the subsequent Division? My right hon. Friend the Prime Minister is a firm believer in empowering the House of Commons: he signed up to the e-petition process and the Backbench Business Committee. We are committed to a minimum of 35 days a year for the Backbench Business Committee, and although it is sometimes inconvenient for the Government, we firmly believe that it is right that the House of Commons should have some control of its agenda, at times choosing subjects that the Government perhaps would not have chosen.

Mr Roger Gale (North Thanet) (Con): Speaking in Australia this week, President Kikwete of Tanzania urged investors in his country to reinvest the profits from their companies in his country. Unfortunately, as the Foreign and Commonwealth Office well knows, he is the same President Kikwete who is in thrall to the media baron Reginald Mengi and who has done nothing to give satisfaction to my constituents Sarah and Stewart Hermitage, whose farm in Tanzania was stolen from them by Mr Mengi's brother. Could we have a debate in Government time to discuss not only the joys but the dangers of investing in Tanzania?

Sir George Young: I am sorry to hear about that loss of property on the part of my hon. Friend's constituents. I shall certainly raise the issue with the Foreign and Commonwealth Office—the FCO Minister for Europe, my right hon. Friend the Member for Aylesbury (Mr Lidington), is in his place at the moment—and see whether there are any representations it can make to get justice for the people whose property was confiscated.

Mark Lancaster (Milton Keynes North) (Con): I am sorry that the shadow Leader of the House feels that there is something wrong with owning four Aston Martins. After all, if one can own two Jags, why not four Aston Martins? Certainly, my constituents who work at the Heritage Aston Martin works in Newport Pagnell will be hoping that Mr Beecroft will own a few more. May we have a debate on the future of the British motor manufacturing industry?

Sir George Young: As the owner of a very small bicycle, I look at these fast and expensive cars with some envy. My hon. Friend makes a valid point—conspicuous consumption generates jobs in constituencies such as his. I think it was Lord Mandelson, was it not, who said that nothing inconvenienced him about millionaires? I hope that the Labour party will, perhaps, change its view about Aston Martins and Rolls-Royces, many of which are manufactured in constituencies represented by Labour Members of Parliament.

Mrs Eleanor Laing (Epping Forest) (Con): Will my right hon. Friend find time next week for a debate on the law on succession to the throne, particularly the current inequality of male primogeniture? I ask that we have this debate soon, in the hope that the Commonwealth Heads of Government meeting that is currently taking place might make some progress on this matter.

Sir George Young: My hon. Friend will know that the Prime Minister has made it clear that he finds the present law unsatisfactory. It discriminates against women and against people who marry Roman Catholics. He has made it clear that he has written to the Heads of the Commonwealth to try to get agreement. I can only

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suggest to my hon. Friend that she awaits the outcome of the Commonwealth Heads of Government meeting in Australia and sees what my right hon. Friend the Prime Minister has to say on this matter at its conclusion.

Dr Sarah Wollaston (Totnes) (Con): May we have a debate on the role and responsibilities of Parliamentary Private Secretaries? Is it appropriate in a modern democracy that Members of Parliament who are neither Ministers nor in the Cabinet should be forced to resign if they vote against the Government? Does not that restrict their ability to represent their constituents and disproportionately reduce the power of the House?

Sir George Young: I am grateful to my hon. Friend and I am sorry that two Parliamentary Private Secretaries left the Government earlier this week. She will know that when somebody is invited to become a Parliamentary Private Secretary, there is an assumed commitment that they will support the Government in the Division Lobby. If anybody feels unhappy about that, they should not become a Parliamentary Private Secretary. If, having become a PPS, someone feels they cannot support the Government in the Division Lobby, they have to stand down. I think that is set out in the ministerial code and it is a convention that is widely understood on both sides of the House.

Mr David Nuttall (Bury North) (Con): May we have a debate on how the one-in, one-out policy of controlling regulations is progressing, so that we can determine the extent to which regulations made in this House are being replaced by ones made in Brussels?

Sir George Young: We touched on that earlier this week. We are committed to a red tape challenge of scrapping and simplifying regulations that are ineffective and obsolete. We have the one-in, one-out approach and I am sure that BIS Ministers will be happy to respond to detailed questions. We also have Lord Young's report, which was produced a year ago and made a number of suggestions for relieving the burden on businesses, with the agenda of fostering employment and growth. I would welcome such a debate.

Andrew Stephenson (Pendle) (Con): I wonder whether the Leader of the House has had time to see the set of Rolls-Royce Trent engine fan blades on the green in New Palace Yard, which were produced by the Rolls-Royce factory in Barnoldswick in my constituency. That display is part of a series of events to highlight the potential of high-value manufacturing and apprenticeships. May we have a debate at the earliest opportunity on what progress the Government have made on supporting apprenticeships?

Sir George Young: Yes, I bicycled past the turbine and contrasted the horsepower that it represented with the horsepower on the bicycle. My hon. Friend might just have been in the House for BIS questions in which we had a very good exchange on apprenticeships. I pay tribute to what my hon. Friend the Minister for Further Education, Skills and Lifelong Learning has done. We promised 50,000 extra apprenticeships in 2010-11, but we have actually delivered more than 100,000.

Charlie Elphicke (Dover) (Con): May we have a debate on what the Government are doing to be more family-friendly? Child care, child tax credits, Sure Start and the role of health visitors all matter greatly to people in Dover and Deal.

Sir George Young: I welcome my hon. Friend's question, which contained within it the answer, as he outlined a number of measures—child tax credit for struggling families, early years support for vulnerable two-year-olds, more support for child care within universal credit and increasing the number of health visitors. The Government would welcome such a debate; perhaps he would like to initiate one in Westminster Hall.

Jason McCartney (Colne Valley) (Con): With reference to the shadow Leader of the House's box-set collection of TV programmes, I suspect that the shadow Cabinet is currently watching "Lost". May we please have a debate on empty homes? There is a real paradox in my local council area in that while the council is pushing through its top-down housing targets for tens of thousands of new homes, there are 11,000 empty homes. Local people find that very hard to explain when the countryside is being dug up for new homes.

Sir George Young: As a former Housing Minister, I share my hon. Friend's concern. There are about 350,000 empty houses in this country, which is an affront to those who are waiting for good housing. I commend the work of the Empty Homes Agency. In addition, the new homes bonus will apply also to local authorities that bring back into use homes that are currently empty, and other money is available within the local government budget to encourage local authorities to bring homes back into use. I commend my hon. Friend's work on this issue, and I hope that all local authorities will do all they can to bring empty homes back into use.

Neil Carmichael (Stroud) (Con): In my Gloucestershire constituency is a huge number of firms that trade with Brazil, but I am very apprehensive about the way in which we are developing trade links with Brazil, Russia, India and China—the so-called BRIC economies—because I sense that other countries are doing better than us. Can we put a spotlight on what the Government are doing to give comfort and support to businesses that wish to develop business in the BRIC economies?

Sir George Young: I know that a number of my hon. Friends in BIS and other Departments make export trips abroad with business men to win export orders on behalf of this country, and they have undertaken a number of visits to the markets to which my hon. Friend refers. UK Trade & Investment and the Foreign and Commonwealth Office, supported by all the Government, lead on this work. We want to use our network of staff across the globe to showcase UK strengths in sectors where we have world-beating capability and we hope to win more export orders and to provide jobs in my hon. Friend's constituency.

Points of Order

1.19 pm

Jack Dromey (Birmingham, Erdington) (Lab): On a point of order, Mr Speaker. I bow to no one in my admiration for the BBC "Today" programme, but it is not the forum in which Ministers should make important announcements. Today the Minister for Housing and Local Government, asserting that the big problem for 8 million social tenants is a lack of mobility, has launched HomeSwap Direct, a website—it is not so much "on your bike" now, but "on your website." Had the Minister come to the House, we could have debated collapsing house building, soaring rents, a mortgage market where no one can get mortgages, and the big problem of rapidly rising unemployment where there are no jobs to move to. Has the Housing Minister indicated his intention to do the House the courtesy of coming to the House to make the announcement?

Mr Speaker: I am grateful to the hon. Gentleman for his point of order. The short answer is that I received no notification of any intention by a Minister to make a statement on this subject. Off the top of my head, and without undertaking inquiries, I know the hon. Gentleman and the House will appreciate that it is difficult for me authoritatively to adjudicate on this matter. The reason why I say that is that I do not know at this stage whether what has happened is merely the launch of a statement, or the fulfilment of a policy commitment made on a previous occasion, or whether this is a new initiative of which the House should first have been informed, but as the hon. Gentleman would expect me to do, I shall assume the role of a detective and look into the matter, better to inform myself, and perhaps the hon. Member when I have done so.

Michael Connarty (Linlithgow and East Falkirk) (Lab): On a point of order, Mr Speaker. I would not wish to have visited this on your head, but unfortunately the Scottish National party Member for Perth and North Perthshire (Pete Wishart) repeated a calumny in the House recently, accusing a Member of threatening another Member, I believe without telling the Members that they were going to be named. I believe the Committee has met since then, and unfortunately the Leader of the House was not informed of the outcome of the formal meeting of the Select Committee, which clarified and, quite frankly, exonerated the Chair of that Committee of any threatening behaviour. Since it has been repeated in the House, can I ask you to look into this matter and call the SNP Member back to apologise on the Floor of the House? It is not politics; it is abuse of the House we are talking about here.

Mr Speaker: The hon. Gentleman was doing nicely until he approached the conclusion of his remarks. There are two real points here. First, a Member who is planning to denounce the conduct or impugn the integrity of another Member should notify that Member in advance. Secondly, the issue to which the hon. Gentleman refers is properly the property of the Select Committee, which, I understand, has indeed deliberated upon it. The hon. Gentleman has used his point of order to offer his own admonishment of the hon. Member who he thinks has misbehaved. I do not think that further action by me at this time is required, but the hon. Gentleman has correctly put on record the fact that the Select Committee has had a discussion about the matter. If the hon. Gentleman will understand, I think it is perfectly reasonable now that we leave it there.

Huw Irranca-Davies (Ogmore) (Lab): On a point of order, Mr Speaker. You will know that very often a generic issue arises out of the very specific, and I wish to raise a generic issue and seek your guidance. The guidance I seek is on the necessity for accuracy in facts that are used in debates. Very often the interpretation of facts will differ, but facts are very important. Yesterday, in the course of a debate, a number of Labour local authorities were derided for, in the words of the hon. Member—I said the point is generic, so I will not name the individual—their "appalling and terrible" record on recycling. My own local authority was mentioned in the list, with a 33% rate of recycling. That was inaccurate; the actual rate is 51%. I request guidance from you, Mr Speaker, and possibly from "Erskine May", on the need for accuracy, or alternatively, the need for Members to return to the House to correct the record, because I suspect that the other Labour local authorities named also have admirable recycling records and would want *Hansard* to reflect that accurately.

Mr Speaker: There are two simple points in response to the hon. Gentleman's point of order. First, all Members take responsibility for, and are responsible for, the content of the statements that they make in the House. Secondly, it is of course desirable that facts adduced are indeed facts, but I know that the hon. Gentleman, who is a very experienced Member, will understand when I say that if there were to be complete agreement as to the particular facts on any issue, let alone all issues, I have a feeling we would be witnessing the end of the House of Commons—and that isn't going to happen.

If the appetite of Members for raising points of order—actual or contrived—has now been exhausted, we can proceed to the main business.

Council of Europe (UK Chairmanship)

1.25 pm

The Minister for Europe (Mr David Lidington): I beg to move,

That this House has considered the matter of the UK's Chairmanship of the Council of Europe.

Mr Speaker, you will already have seen that debates on European matters are a bit like buses: you wait for ages and then two of these delightful treats come along in the same week. I am particularly grateful for the fortunate coincidence of timing in that this debate on the Council of Europe arrives the week after the final collapse of the Gaddafi regime in Libya, because that provides a point of reflection and of comparison between what happens in so much of the world and what has happened in our own continent. The long rule by Gaddafi based on state-sponsored violence and terror throws into sharp relief, in particular, those liberties on which the British people have relied for centuries.

Whatever view Members in any part of the House take on particular laws or on how human rights should be given effect here, I think we would all stand united on the continuing need for and relevance of fundamental human rights such as protection from torture, and the right to free speech, assembly and worship. That tradition in this country of respect for human rights is one reason why we are very proud to be taking on the chairmanship of the Committee of Ministers of the Council of Europe.

I acknowledge that there are in the House today members of the United Kingdom's delegation to the Parliamentary Assembly of the Council of Europe, from the Conservative, Liberal Democrat and Labour parties, and I pay tribute to the work that they do on behalf of the House and the country, and welcome the fact that they will be able to contribute the fruits of their experience during this afternoon's proceedings.

As I hope Members will recall, the Council is the international organisation that helps promote human rights, democracy and the rule of law across the European continent. The United Kingdom was one of the founders of the organisation. Since its founding treaty was signed in this building in London in 1949, its membership has grown from 10 countries to 47, encompassing virtually the entire European continent. I think we in the United Kingdom can take pride in the fact that so many other European countries profess a belief in the importance of these fundamental principles, and also recognise the fact that membership of the Council of Europe and subscription to the European convention on human rights have proved a valuable framework within which the emerging democracies of central and eastern Europe have been able to measure their own political development over the past 20 years.

I want this afternoon to advance the case for the central priority of the United Kingdom's chairmanship: reform of the European Court of Human Rights. I want to say straight away that we have had, and I am sure will have, lively domestic discussions on human rights, and Members will not always agree, but we share the historic respect for the achievement of the convention. The Government's priority is to ensure that the European Court of Human Rights works more effectively and focuses on cases that actually need to be dealt with at the European level. That needs to happen not to weaken rights, but to strengthen them, and by so doing, to advance the rule of law, democracy and freedom.

The United Kingdom was one of the principal architects of the European convention on human rights, which is the Council of Europe's best known instrument. The convention embodies many of the basic rights and freedoms that have been fundamental to English, and then British, law for centuries: fair trial, freedom from torture and freedom of speech. Those are rights that we have enjoyed for hundreds of years.

Geoffrey Clifton-Brown (The Cotswolds) (Con): While my right hon. Friend is talking about the European Court of Human Rights, will he acknowledge that the Court currently has a backlog of approximately 166,000 cases? Is it not high time the Court underwent a thorough review of its working practices and competences, and is not our chairmanship of the Council a good time to do that?

Mr Lidington: I completely agree with my hon. Friend. If the Court is to continue to be treated with respect, it is important for it to find a way of getting on top of that grotesque backlog of cases, which is in nobody's interests. I will say more about that later.

John Hemming (Birmingham, Yardley) (LD): There have obviously been concerns about some of the ways in which the convention's basic rights have been interpreted by the European Court of Human Rights. Will the Government consider during their chairmanship proposing that certain resolutions of the Parliamentary Assembly should assist the Court in interpreting the basic texts?

Mr Lidington: I am sure that my hon. Friend's suggestions, and indeed proposals from the Parliamentary Assembly as a body, will be considered seriously in the course of the debates and conversations that we will have during the six months of our chairmanship and beyond.

Mr Edward Leigh (Gainsborough) (Con): Has not the whole process become ludicrously abused? Has my right hon. Friend had a chance to read the diaries of Phil Woolas, the former Immigration Minister, which reveal that his job was made absolutely impossible? For instance, he had to release to Osama bin Laden's son the file on him, even though he was not living here. The whole process has become abused. What plans has my right hon. Friend to repatriate powers on human rights to this country so that we can have a proper and sound immigration policy?

Mr Lidington: I have to tell my hon. Friend, who is a distinguished member of the United Kingdom delegation to the Parliamentary Assembly and plays an active part in its proceedings, that reading Mr. Woolas's diaries is a delight that is still in store for me. I fear that he is trying to tempt me on to the question of how the human rights incorporated in the convention are implemented in the United Kingdom. As the House knows, the Government have established an independent commission on human rights, chaired by Leigh Lewis, which is deliberating on these matters and considering the different ideas that have been proposed. It will report by the end of 2012.

Sir Alan Meale (Mansfield) (Lab): Will the Minister give way?

Mr Lidington: I will give way one last time, and then I must make progress.

Sir Alan Meale: Will the Minister confirm a bit of information? As he touched on earlier, there are about 800 million people, comprising 47 nations, in the greater European area. I hope that he will confirm for Members on both sides of the House that, on all the judgments that the Court has made so far, this country has never refused to endorse the Court's findings.

Mr Lidington: Yes, the hon. Gentleman is right.

The convention played an important role after the second world war in re-establishing democracy and the rule of law across western Europe. It played a vital role after the cold war in leading the former states of the Soviet Union and its satellites to start adopting the principles of democratic liberalism. The convention remains crucial in tackling the murder of journalists in Russia, for example, or questions of religious freedom in Turkey. There are also telling recent examples of its relevance here at home—for example, in preventing the misuse of stop-and-search powers.

The problem is not with the fundamental principles of human rights expressed through the convention, but there are real issues that rightly cause concern in this House and more widely—issues that, as my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown) pointed out, matter to all countries that are party to the convention and members of the Council of Europe. Those relate to the operation of the Court in Strasbourg. The United Kingdom is a strong supporter of the Court and recognises its important role, but it is not working as it should, for at least two reasons.

First, as my hon. Friend the Member for The Cotswolds rightly said, it is struggling under a huge workload, and drowning under a backlog of more than 150,000 cases, which is growing by roughly 20,000 additional cases each year. The eightfold increase in case loads since 2001 shows that a sensible refocusing on what really matters is not a subject that can simply be deferred for another day; it is an urgent priority.

That urgency is illustrated further by the fact that more than 90% of cases before the Court, when they finally get to the top of the queue and are properly considered, or found to be inadmissible, simply do not come within the scope of the convention, or the procedural rules are found not to have been observed. For cases involving the United Kingdom that figure is higher. Roughly 97% of cases brought against the United Kingdom are found to be inadmissible—and that is before we get on to whether in the other cases—the minority—the finding is for or against the country alleged to have broken the terms of the convention. The backlog is the first reason why there is an urgent need to reform the court.

Mr Christopher Chope (Christchurch) (Con): My right hon. Friend announced yesterday that the Government will host a conference at Wilton Park on the theme of the 2020 vision for the European Court of Human Rights. Will he confirm that members of the UK delegation to the Parliamentary Assembly will be invited to participate in the conference?

Mr Lidington: I have taken careful note of my hon. Friend's interest in participating and will ensure that the participation of members of the UK delegation to the Parliamentary Assembly is properly considered. I will make sure that I consider it myself.

Mr Mike Hancock (Portsmouth South) (LD): The real problem with the backlog is that reforms to the Court cannot restructure the backlog or effectively fillet out any of the cases that might prove to be inadmissible. One of the prime objectives of our chairmanship must be to find a unified view that would facilitate that filleting process, and thus allow the backlog to be handled properly.

Mr Lidington: I do not disagree with my hon. Friend.

The second reason also explains why the backlog has been allowed to develop. The Court has at times been too ready to substitute its own judgment for that of national courts and Parliaments. The European Court of Human Rights was never intended by its founders to be an additional tier of appeal for routine domestic judgments. No court could ever hope to offer redress on all matters to 800 million people. National courts are best placed to understand national problems and traditions of human rights. Enforcing rights in situations where the drafters of the convention never intended them to be is the wrong direction of travel for the Court, and that situation is getting worse and is undermining the Court's authority and efficiency.

Sandra Osborne (Ayr, Carrick and Cumnock) (Lab): Can the Minister give a few examples in a UK context, of where the Court has been guilty of depriving us of national sovereignty?

Mr Lidington: I ask the hon. Lady simply to look at the sheer volume of cases before the Court. We argue that there needs to be a system under which the principle of subsidiarity, which the Court is already supposed to observe, is given greater weight. That will require not just a United Kingdom view from the chair, but consensus among member states. We are talking to colleagues throughout the Council of Europe about the right way forward, because what we are seeking to do certainly does not come from any hostility to the Court as an institution. In fact, concerns about the backlog, the case load and the damage being done to its reputation are widely shared not only among state parties, but by the secretary-general and the authorities in the Council itself.

Michael Connarty (Linlithgow and East Falkirk) (Lab): Will the Minister give way on that point?

Mr Lidington: I will give way once more, then I really am going to make some progress.

Michael Connarty: I thank the Minister. I am trying to be helpful, because I totally agree with and follow his logic on the backlog, but when he states that the Court was never meant to be a court of appeal against a national court's ruling, surely that logic is wrong, because

[Michael Connarty]

there cannot be an allowance, for example, for the Ukrainian court that put the country's former President in jail for carrying out policies that its Parliament had decided. There must be somewhere for people to appeal on human rights grounds, and that is the Court. I presume the Minister meant that the Court could not provide redress in all cases—but in specific cases of such high contestability there must be a court that is above national, political courts.

Mr Lidington: I do not differ from the hon. Gentleman in principle, but we need effective criteria that everyone—from the judges of the Court to the states parties—will accept as enabling the Court to differentiate properly between cases that should be considered at that European level and those that ought to have been dealt with according to the legal systems of states parties that have demonstrated good traditions of respecting human rights.

All this means that there is a clear and pressing case for reform, and all 47 members of the Council of Europe have already signed up to a reform process. The goal of our chairmanship is to drive forward the changes that began in Council meetings at Interlaken and Izmir, and to agree a final package that makes a real impact on the operation of the Court.

I announced, in a written statement to Parliament yesterday, our full set of chairmanship priorities, following my discussion on Tuesday with our friend and ally the Council of Europe secretary-general Thorbjørn Jagland. My statement set out more detail on the reform for which we are pressing. It included proposals that would make the Court more efficient to enable it to deal with its backlog of applications, would reinforce the idea that the Court's role was a subsidiary one, with states having the primary responsibility to protect convention rights, and would ensure that the best possible processes were in place for nominating judges to the Court, and that the Court's case law was clear and consistent.

How we will do that? Reform requires the agreement of all 47 member states, and there is no getting round that fact, so we will accord the highest political priority to securing consensus on the necessary reforms by means of a political declaration at the end of our chairmanship. That declaration would record political agreement to a package of reforms and set the scene for later implementation under subsequent chairmanships. The declaration, we hope, will include, where necessary, amendments to the procedural sections of the convention, and provide the basis for a decision of the Committee of Ministers, to be adopted at its annual meeting on 14 May 2012.

No one should be in any doubt that delivering those goals will take time and a lot of intensive and complicated negotiations, but I do believe that the winds of change are in our favour, and if we achieve the reform that we seek, we stand to gain a stronger Council of Europe and a more effective Court, focused better on real substantive breaches of human rights.

Jim Sheridan (Paisley and Renfrewshire North) (Lab): On declarations, there is no more fundamental right than that of a person to live freely and independently in their own country without fear of intimidation. The Minister will be aware that Cyprus follows the UK as chair of the Council, so will he assure Cypriots listening to this debate that we will do all we can and work tirelessly to ensure that the Cyprus problem, as it is now called, is satisfactorily concluded?

Mr Lidington: With respect, I may correct the hon. Gentleman, because the chairmanship proceeds in alphabetical sequence, so the Albanians will take over from us. I can certainly assure him, however, that the Foreign Secretary and I remain completely committed to doing all that lies within our power to work for an outcome in Cyprus that brings about the creation of a bi-zonal and bi-communal federation, with equal rights for all communities, and in compliance with the relevant United Nations Security Council resolutions. It is not for the United Kingdom to determine what happens in Cyprus, because the process has to be Cypriot led if it is to work and if there is to be an enduring accord, but we give what support we can to the communities in Cyprus and to the work of the UN Secretary-General and his special envoy, Alexander Downer.

Sir Alan Meale *rose—*

Mr Lidington: If the hon. Gentleman will forgive me, I will not give way, because he has had one bite of the cherry and I want to make progress. I do not want to be sidetracked into a further debate about Cyprus, which I am sure the House will have an opportunity to discuss in the future.

We have a unique opportunity to secure improvements to the Court, to enhance its credibility, the rule of law and the protection of human rights and to ensure that the legitimate decisions and traditions of national courts and legal systems are properly respected.

Hon. Members will be only too aware of the domestic backdrop to the programme, about which there is great interest abroad. The House will know, too, that the Government have established an independent commission with a remit to investigate the creation of a UK Bill of Rights, which would incorporate and build on all our obligations under the convention. I hope that the commission's work will assist in bringing clarity to an area of contentious debate, and indeed it has already advised the Government very usefully on Court reform, but to avoid any doubt let me reaffirm that in the Government's mind there is no question of the UK leaving the European convention on human rights. The coalition's programme for government makes very clear our commitment to the convention and to the values it embodies.

The Attorney-General, my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve), commented on this subject very eloquently on Monday just gone, saying:

> "The United Kingdom signed the Convention on the first day it was open for signature...The United Kingdom was the first country to ratify the Convention the following year. The United Kingdom will not be the first country to leave the Convention."

I have spoken at length about Court reform, but our goals for our chairmanship touch on other significant matters, and I would like to close by turning briefly to them.

Mr Dominic Raab (Esher and Walton) (Con): I thank the Minister for setting out the policy so clearly, and I have had an opportunity to look at the priorities and

objectives of the chairmanship. He mentions the Bill of Rights commission's interim advice, and it contains some good recommendations on Court reform, particularly those based on the model of the International Criminal Court, whereby Strasbourg ought to look at only the most serious violations or fundamental freedoms. Is that the mandate which the Government will look to achieve with their European partners?

Mr Lidington: We take all the independent commission's advice very seriously, and we look forward to the fruits of its later discussions, but, certainly, strengthening the principle of subsidiarity in the Court's work is central to the programme of action that we envisage during our chairmanship.

In addition to the issues that I have already covered, we will continue actively to support Secretary-General Jagland's programme of reform of the Council of Europe as an organisation. He has made good progress, including a reduced and more focused set of programmes, and I spoke to him this week about priorities for the final stages of the reform programme.

In particular, I am pleased to say that the UK has succeeded in persuading the 46 other member states to keep the Council of Europe budget under strict control, with zero real growth for the next two years, subject to strict conditions on wider efficiency reforms and any inflation increase remaining below 2%. We will work with our partners in the Council of Europe to promote an open internet, not only on access and content, but on freedom of expression. That is also a key policy priority, and one of the issues to be addressed at the London conference on cyber-space, which my right hon. Friend the Foreign Secretary will host on 1 November. Our chairmanship is an ideal opportunity to advance our objectives through international co-operation, and to this end we will seek to ensure that the Council of Europe's internet governance strategy is adopted.

Mr Roger Gale (North Thanet) (Con): If I am fortunate enough to catch your eye, Madam Deputy Speaker, I will return to the internet problem later, because it is serious.

I referred to the Council of Europe's budget in the Hemicycle, and suggested that it might be cut, but that word is not in the lexicon. Europe does not understand the possibility of cutting a budget. It only ever talks about an increase. Why are we considering an increase?

Mr Lidington: Ambitions must sometimes be tempered by the need to obtain the necessary consensus. In the context of getting 46 other countries to agree, the freeze that I talked about is a pretty good outcome. Further encouragement is that the combination of the freeze in the Council of Europe's budget and the recalculation of the relative contributions of member states to that budget means that the United Kingdom will pay a smaller proportion in 2012 than we did in 2011. That is a good outcome of our negotiations.

Mr Robert Walter (North Dorset) (Con): Discussions on the budget take place in Strasbourg, and 27 of the 47 member states are members of the European Union. Those 27 member states are sitting idly by while the Fundamental Rights Agency, which was established in Vienna and has some spurious objectives, increases its budget for allegedly doing a human rights job on behalf of the 27 states.

Mr Lidington: My hon. Friend, who is the leader of the United Kingdom delegation to the Parliamentary Assembly of the Council of Europe, makes his point cogently. He tempts me on to a much bigger debate about European Union expenditure, but I will confine myself to the matter before us.

The Government take the need for budgetary control over European Union agencies very seriously indeed. The growth of such expenditure and the proliferation of agencies within the European Union have been overlooked for too long. We have been making strong representations to the Commission about that, and have sought to build alliances with other EU member states to secure the sort of reform and budgetary discipline that my hon. Friend rightly wants.

Simon Hughes (Bermondsey and Old Southwark) (LD) *rose—*

Mr Lidington: I must make some progress, because other hon. Members want to contribute to the debate.

During our chairmanship, we will work to combat discrimination on grounds of sexual orientation and gender identity across Europe. The Government are committed to using their relationship with other countries to advocate strongly for changes to discriminatory practices and laws that criminalise homosexuality in other countries.

We will work towards a more effective and efficient role for the Council of Europe in supporting local and regional democracy. The Council has a significant programme of activities in this area, including monitoring and sharing expertise. The UK supports that, but wants it to be streamlined and more carefully targeted.

Finally, we will support strengthening the rule of law in member states. We will work towards practical recommendations in this area, in co-operation with our partners in the Committee of Ministers, the secretariat and the Council of Europe's advisory body on constitutional matters, the European Commission for Democracy through Law, which is usually referred to as the Venice Commission.

The Council of Europe is an important institution, whose values we share, and in whose proud record of achievement there is much to applaud. I hope that all hon. Members will support the UK's efforts during our chairmanship to deliver improvements in the areas I have set out. Efforts to spread democracy, human rights and the rule of law are profoundly in our national interest and that of nations throughout Europe. If achieved, our objectives will not only benefit our citizens, but will have the potential to make a real difference for the good in the lives of people across our continent and beyond.

1.55 pm

Emma Reynolds (Wolverhampton North East) (Lab): This is an important and timely debate, and it is absolutely right that we have an opportunity to discuss in the House the UK's forthcoming chairmanship of the Council of Europe. However, it is a shame that the most pro-European member of the Cabinet is not here to open the debate as was planned until late this morning.

[Emma Reynolds]

There are now 47 members of the Council, and the period of chairmanship is six months, so this opportunity does not come around often. According to my rudimentary mathematics, the next time the UK will be in the chair will around 2035. The last time the UK was in the chair was in the early 1990s when the Conservative party was falling out about another European institution—the European Union. I sense a bit of déjà vu, and I trust that this afternoon's debate will be less heated and divided than the debate earlier this week.

Our membership of the Council of Europe has been supported by successive Governments of different political colours and persuasions for the last six decades. It is worth reflecting on the history of the institution, which was shaped by the aftermath of the second world war and the defeat of fascism, and later by the collapse of communism. When Winston Churchill made his speech at the 1949 gathering in Strasbourg, he talked of an

"ancient city still scarred by the wounds of war".

The horror of that global conflict, and the destruction and loss of life throughout Europe, led to the growing realisation that avoiding future wars had to be a priority.

That realisation brought together some of the leading statesmen of post-war Europe, with much of the earliest thinking coming from Winston Churchill. Other Conservative politicians played a role, particularly former Home Secretary David Maxwell Fyfe, who was instrumental in drawing up the European convention on human rights, which Clement Attlee's Labour Government ratified in 1950. A cross-party consensus held then and over the following decades, and I hope that it will do so today.

Mr Leigh: We all accept that, but the fact is that the process has gone way beyond what was envisaged by people such as Winston Churchill.

The hon. Lady presumably wants to protect vulnerable women. Going back again to the diaries of theformer immigration Minister, he wrote that his proposal to increase the marriage age from 18 to 21 for a family visa would be overturned by judicial review because of the judges constantly referring to the convention on human rights. It is anti-human rights now, and we must reform it fundamentally.

Emma Reynolds: I agree that the Court needs to be reformed, and I will come to that, but I do not agree with everything that the hon. Gentleman said. Like the Minister for Europe, I have not had a chance to read my former colleague's memoirs.

The Council today is very different from when it was first established, and Europe has changed beyond recognition. The rush of countries to join the Council of Europe in the years following the fall of communism extended its membership and reach significantly. Today, the Council of Europe has 47 member countries, covering 800 million people, and a vast land mass stretching from Reykjavik to Vladivostok—that is a tongue twister. It has led the way in protecting and promoting the rule of law, human rights and democracy in Europe. Many hon. Members, past and present, have taken part in the Council of Europe's election monitoring to ensure that democracy is upheld in every member state, and I commend them for that. I want to join the Europe Minister in commending the work of the UK delegation to the Council of Europe.

Oliver Heald (North East Hertfordshire) (Con): The hon. Lady mentioned some distinguished contributions to the Council of Europe by Conservatives in past years. Does she agree that the leader of our delegation, my hon. Friend the Member for North Dorset (Mr Walter), has played a very distinguished part in the current process to change the rules of the Parliamentary Assembly to make the way in which it operates more streamlined and effective?

Emma Reynolds: I join the hon. Gentleman in that view. I recognise that Members across this House have played very important roles in the Council of Europe at different times.

Despite the fact that a Conservative Government were the driving force behind the European convention on human rights, a Labour Government put those rights into UK law in 1999, and we are proud of that. The Human Rights Act 1998 gives British citizens the right to bring cases before British courts rather than having to petition European judges directly. Although we remain committed to the European convention and the European Court, we also recognise that the Court needs reform. The Government have said today that its reform should be a priority for our forthcoming chairmanship, and I support that.

As has been mentioned, the Government set up an independent commission that has presented interim recommendations concerning that reform. The commission highlighted three areas that need to be addressed: the need substantially to reduce the number of cases brought before the Court; the need to consider the remedies that the Court may grant; and the need to improve the process of selecting high-quality judges.

Sir Alan Meale: At the moment, the judges are elected in the Assembly by all Members of the Assembly, but the Interlaken process proposes to diminish that democratic selection mechanism. The current process involves not just the election of the judges but the interviewing of the candidates, in which two criteria must be fulfilled: first, they have to be fully qualified to stand for election; and secondly, there must be at least one woman among the three candidates. I hope that my hon. Friend is not suggesting that we should move away from those principles.

Emma Reynolds: I am a great supporter of gender equality, but the selection process needs to be improved.

Mr Mike Hancock: For those of us who have had the privilege of being in the Council of Europe for any length of time, it is clear that it is not the process of selection by the Council of Europe that affects the calibre of judges but the pathetic selection process that goes on in member states after people have put their names forward. On most occasions, that leaves the Council of Europe having to pick the least worst of a bad bunch.

Emma Reynolds: I am sure that the Europe Minister has noted the hon. Gentleman's concerns.

Any reform of the Court must begin by addressing the crippling backlog of cases before it; I understand that there are 150,000 cases and that number is increasing at a rate of 20,000 a year. I hope that at the end of the six months in which our Government have the chairmanship, the Opposition will be in a position to give them credit for pushing forward with these reforms. Indeed, the test of success for the Government is not only what they do in the six months when they are in charge, but whether they are able to inspire successive chairmanships of the Court and the Council to take on and continue their reforms.

Until now, I have been fairly consensual, but I am about to embark on a section of my speech that is perhaps not so consensual.

Mr Graham Stuart (Beverley and Holderness) (Con): Who wrote it?

Emma Reynolds: I wrote it, thank you very much. That is very patronising of the hon. Gentleman. I might be a young blonde woman, but I am able to write my own speeches.

There is another area where the Government need to take action. It is incumbent on this Government to tackle the misconceptions about the European convention on human rights. I am sure that the Minister is only too aware of how some members of his own Government have peddled myths about human rights legislation to further certain political arguments, and of how there is a confusion—sometimes, it seems, a conflation—of the rulings and activities of the European Court of Human Rights, the Council of Europe, the European Union and the European Court of Justice. In some cases, there seems to be a deliberate lumping together of any institution with the word "Europe" in its title, with the assumption that Europe has a malign influence on this country.

Will the Minister reassure us that the Government will take a lead on challenging such misconceptions, not only in his party but in the country, and champion the positive role that our membership of the Council of Europe has played in furthering human rights and democracy in the UK and in other countries across the continent? After all, taking on the mantle of chairmanship brings with it certain responsibilities, one of which, surely, is demonstrating accuracy in debates on human rights. Let us hope to hear no more misleading myths about cats or other bogus stories.

Labour Members remain firmly committed to the Council of Europe and the European convention on human rights, but we recognise that this does not necessarily mean sticking to the status quo, and reforming the Court. We want the Government to use their six-month chairmanship to push forward with reforms to ensure that the Council continues to meet the aims and objectives in a way that is beneficial for all member countries, including the UK. Upholding a universal notion of human rights is a sign of a civilised nation and something that we should be proud of, not something that should be rubbished, heckled or blamed at every opportunity.

As I underlined in my introduction, successive Governments of different political persuasions have supported our membership of the Council of Europe and obligations that come with it. There is a long history and tradition in our country of which we should be proud.

Mr Raab: I agree that we should not automatically, in a knee-jerk way, blame Strasbourg for everything. However, has the hon. Lady seen the comments by the Lord Chief Justice, which read:

"I would like to say that maybe Strasbourg shouldn't win and doesn't need to win"?

Does she accept, as the Lord Chief Justice does, that there is a legitimate debate about the expansion of human rights through judicial legislation?

Emma Reynolds: I do accept that, and I think it is a debate that we will have today.

Although modernisation and reform of the Council of Europe are needed, the values that underpinned its formation and membership are just as valid today as they were in 1950, and we should all be proud of those values.

2.7 pm

Mr Robert Walter (North Dorset) (Con): As the Minister for Europe said in his opening remarks, this is an interesting week in the House of Commons when we have two debates on Europe. If I may say so, it is good that we are debating Europe, and not necessarily the European Union, today, although I will touch on the relationship between the Council of Europe and the European Union.

As we have already heard, the Council of Europe dates back to 1949 and is very much dedicated to democracy, human rights and the rule of law. We can be proud to have been one of its founding fathers. It now runs to 47 member states across the continent of Europe. The only states that are not members are Belarus, Kosovo and Vatican City—which I understand is not yet a democracy.

Mr Leigh: Nor should it ever be. *[Laughter.]*

Mr Walter: As the hon. Member for Wolverhampton North East (Emma Reynolds) pointed out, the fact that there are 47 member states means that it will be 23 years before we get the chairmanship of the Committee of Ministers again. It is therefore very important that we make good use of our six months in the chairmanship that starts in a week or so.

This House, as has been pointed out, is represented in the Parliamentary Assembly of the Council of Europe. Eighteen Members from both Houses of Parliament serve as full members of the Parliamentary Assembly and a further 18 stand ready as substitutes.

Jim Sheridan: Notwithstanding the hon. Gentleman's enthusiasm for Europe, does he accept that his party's delegation is not made up of the most enthusiastic people on European matters? Hopefully, after the British chairmanship, we will have a more enlightened delegation of Government Members to the Council of Europe.

Mr Walter: I thank the hon. Gentleman for his intervention, but I think he will find that more members of the delegation are present on my side of the House than on his, where there are only four. The delegates from my party play an active role in the proceedings of the Parliamentary Assembly, not least my hon. Friend the Member for Christchurch (Mr Chope), who chairs the committee on migration, refugees and population.

[Mr Walter]

One of the powers of the Parliamentary Assembly is to elect judges to the European Court of Human Rights. I have often heard statements in the British press, and occasionally from colleagues, that we should not be subject to the judgments of unelected and unaccountable judges. Well, we do not have any elected judges in this country, but we do have an elected British judge who serves on the European Court of Human Rights.

Perhaps I may correct one other myth. Often we are told that Europe has acquired a flag and an anthem. Those are not the flag and the anthem of the European Union. They were adopted as far back as 1955 by the Council of Europe. Just like Liverpool football club, which also has a flag and an anthem, the Council of Europe has not yet become a nation state.

I want to deal with the United Kingdom agenda and one important aspect of it in particular. During our chairmanship of the Committee of Ministers, an important ongoing issue that may make some progress is the accession of the European Union to the European convention on human rights. The question of European Union accession engenders mixed responses. Among the non-EU members of the Council of Europe, it is considered to be a good thing. They wonder why the institutions of the European Union should not be covered by the European convention on human rights and why the European Court of Human Rights should not have jurisdiction over its institutions. In that spirit, I believe that we should take this matter forward. My concern is about the manner of the participation of the European Union.

Mr James Clappison (Hertsmere) (Con): I pay tribute to my hon. Friend for the conscientious and diligent way in which he has led the British delegation to the Council of Europe. I agree with the remarks with which he has prefaced his comments on the accession of the European Union. Does he agree, none the less, that we would all be the losers, in particular the non-EU member states in the Council of Europe, if the accession of the EU resulted in it appearing that there were two classes of members in the Council of Europe: EU member states and non-EU member states?

Mr Walter: I agree entirely with my hon. Friend. I will come on to say why I believe that there could be dangerous developments on this issue, particularly in relation to the Committee of Ministers, of which the United Kingdom is about to take the chair, and its voting procedures when European Union matters are under consideration. At the Dispatch Box earlier today, my right hon. Friend the Chancellor of the Exchequer said, in relation to the eurozone countries, that it was against his basic view that there should be any form of caucusing within the Council of Ministers. I think that that is absolutely right.

I remind my right hon. Friend the Minister for Europe that when he issued his statement yesterday on the UK agenda for the Council of Europe, he also issued a written ministerial statement on voting by European Union member states in multilateral organisations. The EU, of course, is not a member of the Council of Europe at the moment, but it aspires to be one. I therefore raise a concern that has been raised not only by EU member states, but more particularly by non-EU member states. If there was a judgment in the European Court of Human Rights against an EU member state, would the EU member states in the Committee of Ministers, when it came to enforcing that judgment, vote as a bloc or would they do what they do today, which is to decide individually how the judgment is to be implemented?

Sandra Osborne: I, too, pay tribute to the fantastic job that the hon. Gentleman does as the leader of the delegation. Does he agree that unless the EU is subject to the same rules as the countries, some non-EU member states may use that as an excuse not to carry out their obligations?

Mr Walter: I think that the hon. Lady is right. She is making the point for me that we must be seen to be fair and even-handed in the way we enforce judgments. That might become even more of a problem.

This issue is already taken account of in the draft of the accession of the EU. I am afraid that the Lisbon treaty is quoted in aid on this matter. If there was a judgment against an institution of the European Union, such as the Commission, the European Court of Justice or the European Central Bank, the 27 EU member states—or 28 as there will be by the time this is implemented, with the accession of Croatia—would be obliged under the Lisbon treaty to vote as a bloc. That brings into question the whole history of fairness and even-handedness in the Committee of Ministers.

The reason given for that is that if there was a judgment against the EU, it would be up to the 27 EU member states to implement that judgment. They therefore have to act as one and as a party. That is fine, but it sounds rather like they will be judge, jury and executioner. We have to question seriously how we will take that matter forward. I would be interested to hear the Minister's response to that in his summing up.

The next point may sound rather technical, but it goes back to my right hon. Friend the Chancellor's comment earlier that we are developing a situation in which there will be European Union mechanisms and institutions such as the European financial stability facility and the European Central Bank that involves not all 27 member states but only the 17 eurozone members. If there was a judgment against one of those entities in the European Court of Human Rights, would we vote as 27 member states or would the 17 vote together? Would the 10 non-eurozone members be let off the obligation in the Lisbon treaty to vote as one? I would again be interested to hear the Minister's response on that.

Mr Gale: It gets a bit worse than that. There is a thing called the transfrontier broadcasting directive, which is a European Union instrument. There is also a thing called the transfrontier broadcasting convention, which is a Council of Europe convention that preceded the directive. The convention needs updating and the Council of Europe was in the process of doing so intelligently and in line with technical developments. The European Commissioner responsible for broadcasting has told the Council of Europe and its 47 members, many of which are not members of the European Union, as my hon. Friend has pointed out, that we cannot discuss the

matter. What right does the European Union have to say to the Council of Europe—the greater body—that it can or cannot discuss something?

Mr Walter: My hon. Friend makes a very significant point about the sovereignty of member states, whether they be members of the European Union or of the Council of Europe. I believe that the sovereignty of the 47 member states of the Council of Europe should be absolute in the case of a Council of Europe convention.

Sir Alan Meale: Like the hon. Gentleman's colleagues, I pay tribute to him for his work at the Council of Europe over many years. Members of all parties will agree that he does a fine job. I apologise, but I will have to leave the debate shortly to chair the sitting in Westminster Hall.

On the hon. Gentleman's point about the sovereignty of nations, what about Turkey? It has refused to accept the outcome of the Louzides case on the confiscation of property—it has paid up, but it has never accepted it. What about its current threat that if Cyprus is given the presidency of the Council of Ministers, it will leave the Council of Europe and not pursue any path towards entry into the European Union?

Mr Walter: I think the hon. Gentleman knows that I am an avowed supporter of Turkish membership of the European Union, but that does not mean that I will in any way make excuses for the Turkish Government's non-compliance with their international obligations. I also regret the Turkish Prime Minister's statement that Turkey would not participate in any discussions with the EU should Cyprus take on the presidency of the Council of Ministers. That is a wrong decision, as I have said to many Turkish colleagues.

To return to the question of EU accession, I wish to refer for a moment to the role of the European Parliament. It has been conceded that when it comes to the question of the election of judges, the European Parliament will have the same rights as the largest member states. We are one of those five largest member states. However, the draft arrangements go on to give the European Parliament special treatment, which I think is unjustified. It will have an ex officio place on the sub-committee that interviews the candidates for the post of judge in the European Court of Human Rights. As the leader of one of the other large delegations, I ask why I cannot appoint an ex officio member to that sub-committee on the basis that I should have the same voting rights as the European Parliament.

Under its internal mechanisms, the European Parliament will have the power to veto the three candidates who are on the shortlist. No other Parliament has that power. It will also have the power to be on the sub-committee that interviews the candidates. I contend that that will create an uneven playing field, and I hope we will resist it when we come to debate EU accession.

Oliver Heald: Does my hon. Friend agree that one thing that is quite hard to understand for people who are not on the Council, or regularly attending it, is that some of the largest member countries are not in the EU? They are proud countries, and sadly often ones that are on the receiving end of judgments of the Court. If the arrangements that are made do not seem to be fair and equal right across the Council of Europe area, it affects how they look at the Council and its judgments. It also affects whether those judgments are enforceable and will stick.

Mr Walter: I thank my hon. Friend for that point, because it sums up the fact that what I have described will bring into question the legitimacy of the decisions of the Committee of Ministers when it comes to enforcing judgments that have been handed down by the Court.

I want to move on to one aspect of the United Kingdom's agenda for our chairmanship, with which the Minister also dealt at length. It is the reform of the European Court of Human Rights, which not only we in this country but many member states across Europe welcome.

There seems to be some dispute about what the backlog of cases in the Court is at the moment. The last figure that I heard, which was at the beginning of this month from the secretary-general of the Council of Europe, was 162,000 cases, and growing at the rate of 2,000 a month. I therefore welcome the approach that we are taking as the new chair of the Committee of Ministers.

Mr Brian Binley (Northampton South) (Con): Is my hon. Friend concerned that most of us sitting in the Chamber today might not be here when the end of that list is reached? Does that bother him?

Mr Walter: I thank my hon. Friend for making that point, which brings me neatly to the next one that I wanted to make.

I welcome the work of the commission on a Bill of Rights under the chairmanship of Sir Leigh Lewis. It was set up to advise on a British Bill of Rights, but at the request of the Prime Minister the first document that it published was advice to the Government on the reform of the European Court of Human Rights. It has expressed a view on that question, and I shall come to that in a moment. I also welcome the interest taken by the Joint Committee on Human Rights, which I know has been to Strasbourg and met the Court and is considering that very important issue.

I wish to deal with four issues related to the reform of the Court. The first, to which a number of Members have alluded, is the quality of the judges. Under the existing procedure, each member state puts forward three nominees when there is a vacancy for a judge of that nationality. Under the new procedures, those candidates are to be interviewed by the Committee of Ministers and by a sub-committee of the Parliamentary Assembly set up specifically for the purpose of making recommendations on which of the three judges is probably the best candidate. It then comes down to the Parliamentary Assembly to vote on those judges.

There has been phenomenal criticism in the Parliamentary Assembly that the judges nominated are not up to the quality that one expects in such an important court, which deals with human rights across the continent. Some of the judges are academics, and some are only what I would call administrative lawyers, but I believe that judges should have experience of sitting as court judges, preferably in the supreme court of their member state. They should not be people who

[Mr Walter]

have applied because they have been teaching a nice academic course specialising in human rights at a university for the past few years and thought, "Why not go to Strasbourg for a few years?" That is not the right way to select candidates.

The Parliamentary Assembly is considering another matter of some concern. If one of those judges drops out and is unable to perform his or her duties, the member state in question can nominate ad hoc judges to sit in their place in the Court. In the past four years, 77 ad hoc judges appointed to sit in for judges who were unable to be in Strasbourg were involved in 516 judgments. I am not sure, and there is some doubt, whether those ad hoc judges are of the same quality, because they do not go through the same selection procedure. They are not nominated, they are not interviewed either by the committee of Ministers or by the sub-committee of the Parliamentary Assembly, and they are certainly not voted for by the Parliamentary Assembly. I am not sure that the spirit of the convention is being implemented if we allow those 77 ad hoc judges to sit in judgment.

The second and most important point raised by my right hon. Friend the Minister for Europe was on subsidiarity and the filtering of cases, causing the backlog. Is the ECHR the final court of appeal for the 800 million people who live on the continent of Europe? I contend that it is not. I believe that it exists to act in partnership with our national supreme courts and that it should not be used as the final court of appeal. A number of members of the delegation met the secretary-general of the Council of Europe on Tuesday to discuss that. He said that—this is even worse—the majority of the cases before the Court involve people using it not as their final court of appeal, but their court of first instance. In the majority of cases, people are disgruntled by something that has happened in their locality—a remote part of Russia or wherever—and they do not use the Russian legal system first and foremost, but go straight to Strasbourg. We must stop that from happening.

People who appeal to the Supreme Court in this country, or even to the Court of Appeal on their way up to the Supreme Court, must seek leave to do so. We must create a situation like that. Requiring people to seek leave to appeal would mean that a judge in this country or another member state would determine whether such a case is admissible, or whether it should be heard by a national supreme court and whether that should be the end of the road.

Mr Leigh: The European Court often gets blamed unfairly for judicial activism, but the real judicial activism is happening in our own courts, because the convention is incorporated in our law. That was the big mistake, and I am constantly referring to it, which is why I intervened earlier. In a sense, the focus of the debate is wrong. We cannot focus only on the Court in Strasbourg; we must also focus on our own courts.

Mr Walter: My hon. Friend is absolutely right. That is why the Government were right to set up the commission on a Bill of Rights, which will consider whether the Human Rights Act 1998 should be replaced by a British Bill of Rights that better reflects the sentiments he expresses.

Oliver Heald: By way of a rider to my hon. Friend's point on seeking leave to appeal on a point of law, which I basically agree with, occasionally, a court in a country refuses leave in circumstances that do not hold water legally. Should there not at that point be a possibility of applying for leave to appeal directly to the Court in Strasbourg?

Mr Walter: My hon. Friend is right to raise that point. We must strike the right balance—strike out spurious claims but not genuine ones. In some cases, those making genuine claims could be refused leave to appeal for, if I may say, political reasons, when their case should go to the Strasbourg Court. In this country, I have every confidence that the Supreme Court or any other lower court would act in the interests of the law and equity, but I might question the courts in a number of other member states—I will not name them in the Chamber.

My third point concerns the competence of the Court and its relationship with national Parliaments and sovereign member states. That the House debated and voted overwhelmingly against prisoner voting rights showed that we in this country feel that somebody committed to jail for an indictable offence should have their voting rights taken away while in prison. That is at variance with the judgment of the Court. I am not a lawyer, but in my view it is absolutely right that a court can sentence somebody to prison and so deny their liberty in several areas. In sentencing them to prison, we are not infringing most of their convention rights—for example, we are not infringing their right to life or imposing on them inhuman and degrading treatment. Instead, we are deciding to deny them certain liberties—for example, by not allowing them to go home to their family every night, we are denying them the right to a family life.

Mr Binley: Do the people sent to prison not have the choice about whether they go to prison, and should that not be a major consideration? Furthermore, is this not a constitutional right, rather than a human right? I know that that takes us on to aspects of law, but these are the things that make people very angry.

Mr Walter: Of course, my hon. Friend is absolutely right. This is the point that we are making. We could have a wider debate about why people commit crimes and why they go to prison, but my specific point is about the denial of liberty and what convention rights that denial of liberty impinges on. It is accepted that some rights in the convention can legitimately be denied. I am interested that Mr Hirst, when he went to Strasbourg, did not say that he was being denied the right to a family life by being in prison and ask why he could not have his wife and children there. He picked on one emotive issue—his voting and democratic rights—but I think that it is absolutely right that this Parliament decide the voting rights of prisoners, and if it decides that prisoners should not have a vote, so be it. That is part of our national sovereignty. It is a matter for national legislatures, not the Court.

My fourth point concerns the backlog. As I mentioned, the figure that I have is 162,000 cases, growing by 2,000 a month. I commend the commission on a Bill of Rights and its advice on this matter: it expressed concern that, whatever reforms we came up with for the Court,

they would not deal with the cases currently in the system, and it recommended that we find a way to clear the backlog. One of the commission's proposals, which is worth taking forward, is that across Europe are retired judges experienced in human rights law who might be brought out of retirement on, say, a one-year contract, subject to their being vetted, interviewed and so on, and that they be given responsibility solely for going through the list of 162,000 cases, deciding which are admissible and, if necessary, immediately sending them to the Court for judgment.

Bob Stewart (Beckenham) (Con): Did the commission not also recommend that the judges be able to dismiss cases, in order to reduce their number, saying, "We cannot deal with this anymore"? The figure of 162,000 is ginormous. We would never get through them.

Mr Walter: My hon. Friend is absolutely right. Of course, we cannot get through them. We know that about 97% of those cases are inadmissible and could be got rid of straightaway, but we need somebody to sit down, go through the paperwork and say that they are inadmissible. If that were done, we might be able immediately to bring before the Court the few thousand cases that lie in the balance, or use this coterie of retired judges to sit in judgment if there are points of law involved that the Court has already been determined in previous cases and so no new judgments to be made.

It is not all as simple as that, though, because there are other constitutional issues. Many of the cases in Strasbourg get there because, as I understand it, there is no supreme court in the Russian Federation to adjudicate on them. They come straight to Strasbourg from the provincial courts, so we might have to persuade the Russian Federation to have a look at its court procedures—after it has got through its elections, of course.

I welcome the United Kingdom chairmanship. I know from colleagues in the Chamber that we are willing and ready to help the Minister and the Government to take forward our agenda, particularly on reform of the Court. The Interlaken process set in train some years ago was followed by a high-level conference under the Turkish presidency in Izmir, in which my right hon. and learned Friend the Lord Chancellor participated on behalf of this country. I hope that we come up with concrete proposals in our six months to ensure that reform of the Court is not only an agenda item, but a reality.

I wish my right hon. Friend the Minister for Europe well. I commend him and his deputy in Strasbourg, our excellent ambassador, Mrs Eleanor Fuller, who has done tremendous work. Thorbjørn Jagland, the former Norwegian Prime Minister, is an excellent secretary-general—one of the best the Council of Europe has had for a number of years—and is also very much in tune with the United Kingdom agenda.

2.42 pm

Sandra Osborne (Ayr, Carrick and Cumnock) (Lab): I rise to follow the hon. Member for North Dorset (Mr Walter) with some trepidation. He has an encyclopaedic knowledge of such matters, whereas I am merely a new member of the delegation. However, I will attempt to do my best. I welcome this debate, which is an ideal opportunity to reflect on the history and ideals of the Council of Europe, as well as its relevance in the modern world. Today is obviously an opportunity to debate the Government's priorities for the UK chairmanship, but we also need strongly to reaffirm our commitment to human rights, democracy and the rule of law at international level, as well as the level of the nation state.

As we have heard, the UK was a founder member in 1949 and, two years later, was the first country to ratify the European convention on human rights, which is at the heart of the Council of Europe agenda. In the post-war era there was a common desire to build up international co-operation so that communal solutions could be found to global problems. Never again would the world erupt into terrible bloody wars. There would also be basic individual rights and freedoms, and the development of democratic Governments. As with the United Nations, that was the context that gave birth to the Council of Europe. We need only consider the wars that have, unfortunately continued despite all the efforts to avoid them, the ongoing threat of terrorism and the continuing struggle for human rights and democracy—as witnessed most recently in the Arab spring—to realise that there remains a fundamental need for a body such as the Council of Europe to ensure that individual countries not only sign up to promoting human rights for all their citizens, but live up to their responsibilities in implementing them.

As I have said, I am a new member of the UK delegation to the Council of Europe, having previously served on the Organisation for Security and Co-operation in Europe in the last Parliament. I want to take this opportunity to thank my colleagues on the delegation and our civil servants, both at Westminster and in Strasbourg, for the support that I have been given in finding my way around the practices and procedures of the Parliamentary Assembly. It is a very different place from this one, and it is taking me some time to adjust. I hope that I am making some progress in that regard. I have already paid tribute to the leader of the UK delegation, and I would also like to pay tribute to the leader of the Labour delegation, my noble Friend Lord Prescott, and to the hon. Member for Christchurch (Mr Chope), who chairs the Migration Committee, of which I have become a member. He has been very helpful, and has encouraged me to take part and to take on some early responsibilities. I welcome the opportunity to do that.

It is clear to me that the Committee of Ministers provides a necessary mechanism at governmental level to agree and implement policies, although, as other hon. Members have said, reform is much needed. I am therefore pleased that that is one of the Government's priorities. I admit, however, that I initially wondered whether the Parliamentary Assembly was any more than just a talking shop. In these straitened times, is it worth using vital resources to fund such bodies? There are some who would question such expenditure, but my experience so far has shown me that they would be wrong. When I look at the work programme of the Parliamentary Assembly, I am amazed at the breadth and extent of the vital matters under discussion, and at the impressive reports that are produced, which I believe are akin to our own Select Committee reports.

The capacity exists to make challenging recommendations to the Council of Ministers and to hold the Council of Europe to account, which is an achievement, given the

[Sandra Osborne]

number of member states involved. We should therefore be careful that any savings that can and should be made do not undermine the whole principle of the Council of Europe or the Parliamentary Assembly, or render them incapable of doing their job.

For those who have the good fortune to live in a country such as the UK, it can be easy to take for granted the rights that we have. It has become increasingly obvious to me, through my previous membership of the OSCE delegation and now of the Council of Europe, that it is vital, at a profound yet simple level, to keep talking, even though that can be time consuming, expensive and, in the case of some of the eastern European countries, repetitive.

Keith Vaz (Leicester East) (Lab): I am following my hon. Friend's speech carefully, and I welcome all the work that she does in the Council of Europe. Does she not think that there is a case for doing more in this country to publicise its work? We have the chairmanship coming up soon, yet very few members of the public will know about it. Is there not an obligation to ensure that the work is related to the people of this country in some way?

Sandra Osborne: I totally agree with my right hon. Friend, and I will come on to that subject later in my speech. If the truth be told, I confess that I was pretty ignorant myself before I became a member of the delegation. That is probably an indictment of me, but also of the level of discussion that we have on the subject in this Parliament. We should take the opportunity to hold more discussions such as the one we are having today.

All the evidence suggests that mankind—I use that word advisedly—learns very little from experience, and very slowly, concerning the exercise of power and the protection of the weak, but at least there is hope when dialogue leads to international treaties. So, if we believe that human rights are at the centre of our foreign policy— sometimes I wonder, although I welcome the Minister's statement to that effect—we should be prepared to support the European convention on human rights without equivocation.

The hon. Member for North Dorset referred to the meeting earlier this week between the UK delegation and Mr Thorbjørn Jagland, the secretary-general of the Council of Europe. The secretary-general commented that the UK was well placed to use the chairmanship to take forward reform of the European Court of Human Rights, because we started it and we have the diplomatic capacity to gather support. In the six months available, I hope that that proves to be the case. I am aware that a great deal of groundwork has already taken place—although, as the Minister has said, securing consensus among 47 states is a tall order. It is right that that should be the UK's main priority, however. Everyone agrees that reform is needed, not least because of the huge backlog in applications.

As has already been said, there is also a tension in some people's minds between the judgments of the Court and national sovereignty. That was illustrated in the UK with the judgment on prisoner voting rights. I was disappointed by the level of debate in the UK on that issue, as it undermined the purpose of the convention, which is to promote human rights. Whatever people's views on whether prisoners should have the right to vote, the debate was characterised by inaccurate, populist and, in some cases, xenophobic nonsense. If there is a genuine problem—and I think we all agree that there is—with the Court intervening inappropriately in national affairs, let us deal with it in a measured way that promotes subsidiarity where appropriate, instead of bursting out in moral panic.

It is not unknown for the UK to lecture other countries about human rights, and quite rightly so—in fact, I hope the Government will take the chance to raise human rights issues with President Santos of Colombia when he visits the UK later this month—but we should practise what we preach if we want to be seen as an example to other countries. I hope we do, and I hope we are.

Although the reform of the European Court of Human Rights is the main priority, I would like to comment briefly on some of the other priorities that the UK Government have set for our chairmanship. Combating discrimination on grounds of sexual orientation or gender identity across Europe is a very welcome objective, and I believe the work we have done in the UK stands us in good stead—particularly the measures in the Equality Act 2010 and the right to civil partnership, which were passed in the last Parliament. I am pleased to say that the Scottish Government—believe me, I do not often compliment them—are currently consulting on taking this a step further with the introduction of gay marriage. I am pleased that we can give a lead to other member states on this, and I am glad the Government have made it a priority—not gay marriage, but tackling discrimination on grounds of sexual orientation.

Michael Connarty: It has always struck me that in some other countries—this is certainly true where my son lives—people who are heterosexual can register not a civic partnership but the fact that they are de facto partners. That means that when one dies, the pension will transfer automatically to the other member of that de facto partnership. In this country, however, for a heterosexual couple who do not go through a formal legal marriage, either in a church or elsewhere, the pension dies with the partner. If we are talking about human rights, surely when people put themselves into a de facto partnership of that kind, they should have all the rights of those who go through a formal marriage.

Sandra Osborne: I do not disagree with my hon. Friend, but I would say that heterosexual people have the option to marry, which gay people have not had in the past. It is right that it should be afforded to them.

Michael Connarty: But they have a civic partnership?

Sandra Osborne: There is a civic partnership that was not previously available—

Michael Connarty: But heterosexuals cannot—

Madam Deputy Speaker (Dawn Primarolo): Order. We are not conducting a conversation; this is a debate.

Sandra Osborne: I apologise—

Madam Deputy Speaker: No, it is not the hon. Lady's fault. The hon. Gentleman should know better. If he wants to intervene, he knows how to do so properly.

Sandra Osborne: He is just very enthusiastic, Madam Deputy Speaker.

The internet, as we have found, knows no national barriers, and that has positive and negative consequences. Freedom of expression is vital in the context of human rights, and I am pleased that the UK Government are taking that on board by looking at people's human rights in respect of their use of the internet. I hope that any European internet governance strategy will take into account the protection of vulnerable people, especially children.

On local and regional democracy, I am not particularly familiar with the Council of Europe's programme, but as a former local councillor I have strong views about the role of local government in promoting democracy. I believe that we have many good examples here and a wealth of experience. However, local government has been somewhat undermined in recent years—by all parties—and should be held in higher regard in this country. The fact is that, by definition, local government is closest to the people—something that is extremely important throughout the length and breadth of Europe. That is relevant to what my right hon. Friend the Member for Leicester East (Keith Vaz) said about the importance of publicising the Council of Europe and its work. Word could be spread among communities through local government, explaining what the COE is all about.

As I said earlier, I am a member of the Committee on Migration, Refugees and Population in the Parliamentary Assembly. I would have liked to see some migration issues on the list of priorities, especially economic, human rights and integration issues. I had understood that the protection of minorities was intended to be one of the United Kingdom's priorities.

I would be grateful if the Minister responded to those two points. Can he also tell me whether he, or any other Ministers, will be present at the Parliamentary Assembly to report to it during the UK chairmanship? I shall be interested to see how the chairmanship works out, and I wish Government and civil servants the very best in their endeavours.

2.55 pm

Priti Patel (Witham) (Con): I am grateful for the opportunity to contribute to the debate, primarily because I have been calling for a debate on this subject for a good few weeks. I suspect that the Minister may have become sick of hearing from me. I thank right hon. and hon. Members who supported me last week in my pitch to the Backbench Business Committee. They clearly recognised the importance of holding such a topical debate at the time of our chairmanship. I also pay tribute to the hon. Member for North Dorset (Mr Walter) for his leadership and his insightful comments. As a new Member of Parliament, I know that he has a great deal of experience of these matters, and I think that all new Members have a lot to learn from him.

I thank the Minister for his opening remarks, and for the written statement that he published yesterday. There is, of course, much to discuss when it comes to our chairmanship and its priorities, and this afternoon is the right time for that discussion.

All Members who have spoken so far have touched on Britain's strong historic links with the Council of Europe and the drafting of the original European convention on human rights. In view of those historic links, I think that Britain must now play a central role in reforming the COE to ensure that the sovereignty of nation states is respected and the British interest is put first. I say that partly in the context of this week's debates on European affairs. On Monday we saw exactly what happens when power-hungry supranational institutions simply go too far: the public become somewhat disenfranchised, and the democratic deficit created becomes slightly harder to remedy. The public have a view on that. I think there is a genuine danger that if action is not taken during our chairmanship, the country could find itself sleepwalking down a path towards the stripping away of more of our powers and more important decisions will eventually be taken out of our hands.

No doubt there is unity throughout the House on the need to safeguard rights to a fair trial, respect for family life, protection from slavery, freedom of thought and other great values of which this country and British democracy have been staunch defenders over the years. However, the European system of human rights that is reinforced by the Council of Europe, the European Court of Human Rights and their related institutions lacks accountability and democratic legitimacy.

I believe that central to that problem is the way in which the European Court of Human Rights operates. Over the years, it has effectively become a final court of appeal for those who feel that there are human rights-related grounds that their national courts have wrongly dismissed. I think we all appreciate the importance of that. Recent statistics from the court reveal that in 83% of cases it finds that violation has taken place, contrary to decisions made nationally. The hon. Member for North Dorset mentioned the backlog of cases, and I think there is consensus on the fact that the numbers are alarming. I welcome my hon. Friend's highly practical suggestion that people should be brought in to read through the paperwork and sort out the situation. While the figures for Britain are better than average, with the Court finding that a violation has taken place in 61% of cases, it is astonishing that in so many cases the Court and its judges rule against judgments made by very able, experienced and qualified judges in the British courts. Moreover, given that section 2 of the Human Rights Act 1998 explicitly binds our courts into the European human rights system so they already give effect to the convention in European case law, it is even more unreasonable for Europe to dismiss so many of the decisions made by our courts.

Politicians will always have their differences with the judiciary and the decisions made by judges, but many of the decisions made in Strasbourg are fundamentally contrary to British values and the British interest. That leads me to question the accountability and legitimacy of the Court.

This situation is made even more challenging to our democracy because no real mechanisms are in place for Parliament to reverse these European Court judgments. Such mechanisms are in place for decisions by domestic courts, however. Earlier this year when the English courts highlighted an anomaly in laws relating to police bail arrangements, Parliament was able to initiate and pass emergency legislation: the Police (Detention and

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Bail) Act 2011. Just as courts act independently to hold the legislature and the Executive to account, in this case Parliament and the Government were able to hold the judiciary to account. That does not seem to be possible for decisions made in the European Court, however. As has been mentioned, last February the House passed a motion sending a clear message to Europe that it did not believe it was right of the European Court of Human Rights to demand that we scrap our laws and give convicted prisoners the right to vote, yet Europe is still insisting that the judgments of the European Court takes precedence over the laws passed and motions agreed by this Parliament, and is still saying that we must grant prisoners the right to vote.

Michael Connarty: I have been listening to the hon. Lady expand on her point. I think she has got the matter wrong. When the European Court of Human Rights makes a judgment, it passes it back to the country of origin, which must then make proposals to try to fit in with that judgment. I understand that there is no intention on the part of the Government—supported by the Opposition, I hope—to give up their right in this matter entirely. They are being asked to define in which circumstances it is appropriate for someone to be not only incarcerated but deprived of their right to vote.

Priti Patel: I thank the hon. Gentleman for his remarks.

In February we debated the sovereignty and decision making of this House in relation to a particular judgment. By refusing to accept the sovereignty of our Parliament and the democratic decision making of this House, Europe is demonstrating a lack of legitimacy and democratic accountability, which I find astonishing given that the Council of Europe was established precisely to promote democracy. Therefore, in my view, attacking our Parliament and seeking to undermine our democracy is simply counter-productive.

The prisoner votes issue is just one well-known example of the problem—and it is still ongoing. There are other similar Strasbourg decisions, however, such as in the Sufi and Elmi case, where Britain was prevented on human rights grounds from deporting two individuals back to Somalia, despite their being responsible for a very serious spate of crimes, including threats to kill, robbery and dealing in class A drugs. We should bear in mind that such decisions can end up setting a legal precedent, so they can impact on subsequent deportation cases. In the Sufi and Elmi case, human rights were used as an excuse to allow people to remain in Britain.

David T. C. Davies (Monmouth) (Con): My hon. Friend is making a number of excellent points. Does she agree that the human rights of violent criminals and terrorists are too often being put ahead of the human rights of law-abiding British subjects? She is right to draw attention to that.

Priti Patel: I thank my hon. Friend for making that point so clearly and succinctly. Our chairmanship of the Council of Europe is coming up and this is a big opportunity for us to address, if nothing else, the perception issues and the fact that we need to remain vigilant on these matters to ensure that powers and decision making stay in this country.

In pulling my remarks together, I wish to emphasise to the Minister and the Government that there are issues to be addressed. Britain is signed up to a range of international agreements on human rights-related matters, which are all welcome and important. However, decisions on human rights laws must be brought back home, because having British courts interpreting British laws is a better and more democratic position than having European judges and their officials ignoring our national interest. It is unhelpful and counter-productive for them to be foisting their particular laws on us.

It is time to draw a line in the sand on many of these matters, and to free up our courts, our public bodies and, in particular, Parliament from some of the excessive intrusion and integration on human rights matters that we have seen. I hope that, through the chairmanship of the Council of Europe, the Government will take this opportunity to address these matters, in addition to the areas of priority that the Minister outlined.

3.6 pm

Sir Alan Meale (Mansfield) (Lab): I said that I was not going to be able to speak in the debate, but I managed to get somebody else to chair a meeting in this building in time to come back to the Chamber.

I congratulate the hon. Member for Witham (Priti Patel) on her persistence and endeavour in securing this debate, although I suspect our agreement on and understanding of each other's politics ceases there. She has not grasped at all what the Council of Europe is about, which is human rights, the rule of law and democracy. They are all intertwined; they are not simple little solutions set aside from each other and never the twain shall meet. They are interlinked so that we can get policies that cross national boundaries.

The hon. Lady cites one or two examples that everybody in this Chamber, including the Minister and Labour Members, agree on, but they are minor cases where things have to be cleared up. That is all part of the agenda for change, which the Council of Ministers and the Council of Europe are undertaking. Let us deal with the big issues, one of which is capital punishment. Countries are not allowed to become members of the Council of Europe if they carry out capital punishment. We must remember that there are 800 million people in these 47 countries in greater Europe, and we cannot singly deal with one or two issues such as the ones she raised.

Mr Binley: Does the hon. Gentleman not appreciate that many of the decisions by the European Court of Human Rights that gain the headlines in our newspapers actually diminish the role of justice and therefore are very important?

Sir Alan Meale: The hon. Gentleman is right. I apologise if I have led him up the path of thinking that these minor matters in relation to the very big issues that the Council of Europe and the European Court of Human Rights deal with are in some way not important. They are all very important, and they are very important to the people involved. As the Minister rightly pointed out, Members on both sides of the House are seriously of a mind for change and reform as far as the Court is concerned, because of the huge catalogue of outstanding cases, many of which could and should be dealt with in

the courts of the individual countries. We should accept responsibility for our failure to act to make the courts deal with them. As the hon. Member for Portsmouth South (Mr Hancock) said, the problem of the courts and the outstanding cases in the European Court is caused by failures in individual nations and their court systems.

I said in an intervention that we have a very democratic system, which could be reformed in some way, for choosing judges. The three candidates that are submitted by all member countries have to be fully experienced in such matters before their names are even put forward and there has to be a gender balance. Those people are then examined by a committee in full before recommendations are made to the Assembly, which then decides. I have been there on a number of occasions over the years, as have other hon. Members who are present today, when time and again we have sent back the names of candidates and said, "They are not qualified," "They do not come up to the standard," or, in a number of cases, "No gender choice whatever has been given." A few years ago, some countries refused to submit the name of a female candidate. The system is well-tested and I do not think that talking about "sleepwalking" away from accountability is the best way forward.

The Minister gave us the best way forward, which has been accepted by all parties. We need reform. We have to wake up the courts and the Governments of member countries and say, "You have to take responsibility for and deal with these issues; the European Court is for bigger things." The example I gave of where such instances might apply involved a failure by two members of the Council of Europe area and, indeed, Britain—so three countries in all—in respect of seized assets in the northern area of Cyprus. An individual citizen went through all the courses for legal redress in their own country, Cyprus, and then went to the guarantor powers of Greece and the United Kingdom, but the case failed and there was no other domestic court for that case to go to. Members might ask, "What does a person's ownership of their home have to do with the European Court of Human Rights?" Well, it has a lot to do with it if someone's country has been invaded, they have been marshalled out of their home and local area into another country, and the return of the assets in the house, and the house itself, has been refused.

The Loizidou case went to the Court, which took a number of years to deal with it. As my hon. Friend the Member for Linlithgow and East Falkirk (Michael Connarty) rightly pointed out, it was then sent back to Turkey and the regime in the northern area of Cyprus, which were told, "You must deal with this matter. What you have done is illegal—you have illegally invaded, you have illegally occupied and you have illegally kept rightful owners away from their homes." The judgment that came down in the end was that reparation to the tune of nearly £1 million in costs and compensation should be paid to the family not for the home they had lost but for the loss of use of their home over that 30-odd year period. That case could not have been dealt with in any other court.

Mr David Burrowes (Enfield, Southgate) (Con): The hon. Gentleman makes an important case regarding the human rights of the people of Cyprus. Is it not the case that this issue of human rights goes further and affects not just loss of property but loss of people? There is also an issue of missing relatives and people who still do not know where their loved ones have gone since the conflicts. They have called on Turkey to release basic information giving them a right to know where their relatives are. Does he agree that there has been a breach of those fundamental rights which must be answered and that we could take the opportunity, as chair of the Council of Europe, to make that case?

Madam Deputy Speaker (Dawn Primarolo): Order. We are not discussing the issue of Turkey per se and I am sure that the hon. Gentleman will bring the debate back to the question of the chairmanship of the Council of Europe and its priorities.

Sir Alan Meale: Thank you for that guidance, Madam Deputy Speaker. To give a very short reply to the question, let me just point out to the hon. Member for Witham that there has been involvement in that particular case and many other cases of breaches of human rights by the British Government as a guarantor power. Those issues will be taken up yet again in the course of the six-month chairmanship. Indeed, quite recently the European Minister met the Commissioner for Human Rights, who is an employee elected by the Council of Europe members in its Assembly. As my colleague the hon. Member for Enfield, Southgate (Mr Burrowes) alluded to, 1,619 Greek Cypriots and 684 Turkish Cypriots remain missing from those periods. I know there will be contact on that subject during our chairmanship.

The Minister outlined the primary policies that we shall take up during our chairmanship. One key area is local and regional government. Next week or the week after, the Minister will be present at talks in Kiev. I hope he will give a guarantee in his summing-up that he will fall behind all the magnificent work on local government reform by Kivinemi, the Minister from Finland, which was picked up and improved upon by Chavez, the Spanish Minister. That is very important.

I congratulate the hon. Member for Witham on her persistence in obtaining the debate, but I ask her to think about some of the Council of Europe's other roles that will be debated during our chairmanship. We send people on peace missions or monitoring missions. Two or three Members who are currently in the Chamber take part in those missions and put themselves at risk. At this minute there are people on monitoring missions in some outlying areas of greater Europe, where they have to receive military protection in order to fulfil their role. In the forthcoming weeks and months, Members from both sides of the Chamber will be undertaking such missions, and they risk their lives in doing so. In the Georgian conflict, the Chechnyan conflict, the Bosnian conflict and the Kosovan-Serbia conflict, Members of the House, as members of the Council of Europe, went in as peace monitors and election monitors, trying to achieve a democratic purpose. The Council is not just a small organisation in that respect.

I shall refer briefly to the work of the eight committees of the Council of Europe. Britain's membership of the Assembly, from both sides of this Chamber, is a worthwhile and leading part of the work of the Council of Europe. We have a number of vice-chairmen. We have the chairmen of the monitoring committee, the health committee and

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the environment committee; the list goes on and on. I mentioned the committee that examines and gives initial interviews to those who wish to become judges of the European Court of Human Rights. We hold the chairmanship and leading positions on that committee. I pay tribute to a previous Conservative Member of this place: John Greenway was the chair of the Council's committee on rules of procedure, and did a magnificent job in the years that he held that position.

I also pay tribute to the British ambassador in Strasbourg. I have seen many ambassadors in different countries who treat it as a fine profession and a life indeed, but this woman works night and day. If committees meet early in the morning, she is there; she is there throughout the day and into the late evenings, attending meetings and so on. I pay tribute to her and her staff, as I do to Secretary-General Jagland. He is comparatively new to his role, but I am pleased that I and others on both sides of this Chamber voted for him, because he has done a magnificent job and brought a stature to the Council of Europe and its work, with his background as Speaker and Prime Minister of his own country's Government. His sense of purpose in the reform process has been very good indeed.

Last but not least, I pay tribute to the staff of this place. We have a small number of staff who run the Overseas Office. They fix up all the travel arrangements and arrange the accommodation, which I acknowledge is not salubrious—I wish it was—but for which they get the best value they can. They have to make those arrangements for 30-odd Members of Parliament, including arrangements to enable them to participate in all the committees that emanate from the work of the Council of Europe.

3.19 pm

Mr Roger Gale (North Thanet) (Con): I wish to touch briefly on three issues. The first relates to the European convention on human rights, which is the first priority listed on the briefing paper issued by the Government on the UK's chairmanship of the Council of Europe. Article 5 of the convention sets out the right to freedom. Article 6 sets out the right to a fair trial. A constituent of mine has been held in prison in Malta for more than two years. Another constituent has just faced a highly questionable trial in Lille in France, and he was held for two years before the trial without any right to freedom. Malta and France are both signatories to the convention on human rights.

When I started to look into the background, I wrote to the Foreign and Commonwealth Office to request a breakdown of the number of UK citizens who have been held for more than 10 months without trial in countries that are signatories to the convention on human rights and members of the Council of Europe. Initially, those at the FCO said that they did not have a breakdown for all 47 countries and that it would be unreasonable to expect them to do all that work because it would be very expensive. However, not wishing to be unhelpful, they asked me to name the countries I was interested in. I named four: Greece, Spain, France and Malta—the latter two for obvious reasons. It was a freedom of information request and they complied with it.

Malta is holding five UK citizens who have been in prison for more than 10 months without trial, and Malta is a signatory to the convention on human rights. France is holding 12 UK citizens who have been in prison for more than 10 months without trial, and France is a signatory to the convention on human rights. Indeed, my constituent was held in France for more than two years. Spain is holding 43 UK citizens who have been in prison for more than 10 months without trial, and Spain is a signatory to the convention on human rights. Article 5, which sets out the right to freedom, is being breached by these countries. The FCO said that it could not specify the number of UK citizens being held in Greece because that number was so small that doing so could identify the person concerned. I did not quite understand that, but the fact of the matter is that Greece is also clearly in breach of article 5.

In the case of the constituent who was tried in Lille last week, I maintain that article 6 has been breached because I do not believe that he has had a fair trial. In fact, I am afraid that his situation was probably worsened by the intervention of a British Member of Parliament seeking to bring about the trial. The man has been sentenced to five years in prison, fined €10,000 and asked to repay something akin to the debt of Greece—€5 million. He does not have that because he has lost his home and his family; he has lost the lot.

During the UK's chairmanship of the Council of Europe, I want the Government to hold to the fire the feet of each and every country that is a member of the Council and is holding UK citizens, or any other citizens for that matter, for long periods of time without trial. It is a clear breach of the convention. Many of those countries, France in particular, are preaching to the United Kingdom and trying to tell us that we must give prisoners voting rights. We had that debate in this Chamber and reached a sovereign decision as a sovereign Parliament. I explained that in person to the Human Rights Commissioner, Thomas Hammarberg, the last time we were in Strasbourg. I said, "Tom, you must understand that this is a sovereign Parliament. This is not a Government decision, but a decision taken in the House of Commons by elected Members. We have decided that we do not believe that we have a duty to give convicted prisoners voting rights." While that is an issue, we are told that other countries can hold citizens without trial for very long periods in breach of the convention.

I would like my right hon. Friend to take to the chairmanship and to Ministers this clear issue and say that we will not budge one inch until every country holding any citizen for an indeterminate period without trial has complied properly with the convention.

Michael Connarty: I just want to get the hon. Member to clarify and put on the record the fact that all of these countries have not only signed, but ratified and implemented the convention, because there are many countries who sign conventions, never ratify them and never, therefore, implement them.

Mr Gale: I am grateful to the hon. Gentleman, who is absolutely right. The implication is that because we have signed the convention, we are implementing it. My understanding is that Malta, Spain and France have implemented it, but I am open to challenge on Greece—

I ought to know but do not. France certainly makes a big issue of the situation and is very communautaire, just as long as it wants to be, but on this issue it is in clear breach and needs to be told that it is.

Mr Stewart Jackson (Peterborough) (Con): Does my hon. Friend regret as I do the fact that, notwithstanding the Forfeiture Act 1870, which established the will of this House in respect of prisoner votes, and the emphatic vote in February, which made clear to Ministers and to the Court itself the settled view of the House, there has been only a suspension of the Court's judgment on the UK situation with respect to Greens and M.T., as a result of an Italian case, and that the Court has not accepted the will of this House to decide that we are correct and will not give the franchise to convicted felons?

Mr Gale: I have already made my view abundantly plain: I regret the situation very much indeed. If there is any case to be made, it can only be this: a person on remand might be considered to have the right to vote, because they have not been convicted. I cannot have my cake and eat it, because, if I want people to have a fair trial and to be tried in a timely fashion, I have to concede that if people have not been convicted, they should arguably have the right to vote—but that is all.

Internet governance and freedom of expression on the internet, is one of the Government's priorities during our chairmanship, but I urge caution upon my right hon. Friend the Minister. The culture committee, on which I sit as an alternate, and the sub-committee that has been dealing with the issue, on which I sit as a full member, have recently been considering a report prepared by another delegate to the Council of Europe. Fortunately, members of the United Kingdom delegation stood shoulder to shoulder and had the report withdrawn.

The report has now been rewritten and will be brought back before the committee in Paris on 6 December, when I suspect a reasonable compromise will be reached and it will then be debated. When it is debated and passed, it will be passed to Ministers for consideration, but in that report there is a great deal of motherhood and apple pie. The Government's position paper says that they stand by the right to freedom of expression on the internet, and that is all nice and fine, but we are talking about what is known as public control, which basically means state control—and means something slightly different in French.

I do not want to see state control of the internet, and we all know what we mean when we say freedom of expression on the internet, but we have to consider the fact that, although social networking and all those things were held up as the great saviour, the prop that held up the Arab spring and made things happen, which was wonderful, precisely the same social networking was used in London in August to orchestrate criminal riots.

So, just before we go too far down that road, I urge my right hon. Friend the Minister to ask his colleagues on the Committee of Ministers to take a long, hard, proper look at the issue, and to ensure that we understand exactly what we are saying when we plead freedom of expression on the internet. One man's freedom of expression may be the ball and chain around another man's leg.

Finally, I shall touch again on the issue that I raised earlier, transfrontier broadcasting, because it is serious. Twenty-five years ago the Council of Europe passed a transfrontier broadcasting convention. I know, because I am a re-tread, and 25 years ago—God help me—I was on the Council of Europe and I participated in the debate at the time. The reason we worked so hard on the issue was that we wanted to make sure that Europe did not do something very silly by insisting that every television station throughout Europe had a half-hour quota of clog-dancing in Lederhosen or whatever, but instead had something sensible. We knew what we wanted. We wanted reasonable control of matters such as broadcast pornography, taste, decency and so on. We created something that was worth while.

Tim Renton, who was then a Home Office Minister with responsibility for broadcasting—it used to be a Home Office responsibility—turned that convention into the European Union directive, so it was a worthwhile exercise. We have now reached the point where the convention is out of date, and because of the advance of technology it needs to be streamlined. The Council of Europe is getting to grips with it, and rightly doing what it was trying to do before—to get it right. Suddenly, along comes a European Union Commissioner who says that it is a European Union competence and that the Council may not discuss it.

As things stand, the Council of Europe has stopped its work on the project. That is outrageous because, as has been said, the European Union represents only a proportion of the countries that are member states of the Council of Europe. I believe that the greater should embrace the lesser, not the other way round, and that the matter is a Council of Europe responsibility. I urge my right hon. Friend to take that message on board very clearly indeed. It is an important issue.

3.31 pm

Michael Connarty (Linlithgow and East Falkirk) (Lab): It is a privilege to follow the hon. Member for North Thanet (Mr Gale). Having been in the Council of Europe, and in this House for so long, and having watched his endeavours in the Council of Europe at the moment, it is amazing that he is still enthusiastic about searching out the right wording and practice in the things he is involved in. I am sure that he was the same 25 years ago. My hon. Friend the Member for Ayr, Carrick and Cumnock (Sandra Osborne) referred to me as enthusiastic, but I have been here for a mere 19 years. I hope that when I have been here for as long as the hon. Gentleman I am still as enthusiastic for the fight.

The fight is for the correct implementation of the principles behind the Council of Europe. I may not always take the example of the hon. Member for North Thanet on how he approaches things, and hopefully we will be at the meeting seeking the compromise that I suggested might be found between him and the author of the original report, which was deeply flawed in the way it was expressed. I hope that we will work together across the party divide on these matters.

It is a pity the hon. Member for Witham (Priti Patel) has gone. I am not sure whether she is a member of the delegation, but certainly some members on the Government side do not take up their place, and she might be able to learn quite a lot by volunteering to take one of the

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places that are not being actively filled at the moment. I am sure she would find it enlightening and educational, as we all do. The delegation, although we may come from different angles, is genuinely still the bedrock of debates in the Council of Europe. Delegates are often there at the beginning; they are there at the end of the day, which might be 8 o'clock at night; and they are often there on Friday when most people have decided to go home. We want to take part in debates and make our views known.

Oliver Heald: The hon. Gentleman will recall that he and I were both there on the Friday of the last part-session, disagreeing with each other. I thought he would like to know that I am here, and that I do not entirely agree with him today.

Michael Connarty: We came in together, and hopefully they will carry us out together. I recall that we also came to the House in the same year.

It is absolutely incredible that a court as important as the Court of Human Rights is clogged up by a type of bureaucracy that could not be imagined in the most disorganised country in the world. The simplest cases that will clearly never be correctly allocated to the Court have to be judged by a full bench of judges before they can say, "No, we can't deal with this." There is no sifting process and no filter process. No Committee in this House would run if every Member had to gather every day, look at every paper proposed, and come before the Committee to decide whether it could even discuss it. That is what the Court is about at the moment. Anything we can do under our chairmanship to bring in a filtering system whereby one judge or some other method is used to say, "This is still correct to stay on the list and others must be sent back to the courts of the national jurisdictions or rejected", is long overdue.

I will talk later about the Human Rights Act 1998 in the context of individual countries. It is a myth that the Court can make a country implement its judgment just by lifting the judgment made in the Court and transposing it into the Acts of Parliament of this country. It is not the European Union, after all. I see that the Minister for Europe is here, and he recognises that that can happen with European Union regulations and all the other things that come in, and we have to just get on with it because we have signed away some of those rights—but not at Council of Europe level. It has to come back and be looked at by this sovereign Parliament, which then makes a judgment on what amendments to make that would implement it. I hope that we never move away from that.

There is lots of talk saying that our Human Rights Act is somehow a transcription of the convention on human rights and the judgments of the courts. I hope that it is, in fact, an attempt by this sovereign Parliament to implement the human rights that we all hold so dear for our country and for every other country. If it is not correct and needs to be amended in some way, that is our right as a sovereign Parliament, but we must not get into the situation where we can overturn the human rights that are available to people in Council of Europe countries just because we believe that it will satisfy the feelings of our constituents.

I held a very excellent debate about human rights and family rights. On family rights, yes, there is no doubt that people are angry because that is used as a plea for someone not to be sent back to some other country. But when we come down to the fundamentals and someone is asked, "Do you think that family rights are due to all of us?", most people would say yes. We then have to decide why it is not applicable to someone who may come from another country. Sometimes, if we throw out that basic judgment that family rights are available to all of us, and must therefore be available to anyone under our jurisdiction, we destroy something very important in what we have fought for, for political gain and for a feeling of anger rather than for a judgment of what is correct.

Bob Stewart: I have a question because I am slightly ignorant on the procedures. If a judgment came back to this House and this House decided that it would not accept it, where do we stand then?

Michael Connarty: That is a very important question. If the Government should bring back a proposal on, for example, whether prisoners in custody should have voting rights, and we decided that we did not wish to accept it, we could reject it. They would have to come back again to try to put another proposal, and I presume negotiations would go on between the Committee of Ministers, particularly with our chairmanship in the next six months, to find something that would be suitable, and that would be correct. However, I believe—this is my own judgment—that if we got to the point where we said, "No, we refuse to implement this", then there must be some question about whether we want to remain in the Council of Europe at all.

Mr Binley: The hon. Gentleman is a very dedicated member of the Parliamentary Assembly, and it is a pleasure to work with him. Does he recognise that at the end of the day the judgment goes to the Committee of Ministers, and that equally at the end of the day it has no powers of enforcement? I relate that to the point made by my hon. Friend the Member for North Thanet (Mr Gale): nothing can be done, and therein lies one of the problems.

Michael Connarty: I think that is correct in what I have seen of the Council of Europe. It can make judgments, it can put down statements, people can support those statements, and they can be transmitted through the Committee of Ministers to the representatives of all the countries who send a representative to that Committee. One of the reasons I am quite a strong supporter of the European Union is that it can bring in directives, and has done so, as I shall mention later, in areas which are close to my heart and to the logic of why I am here as a representative of the people of my constituency. It has an enforceable power, mainly tied up with the economic power that lies in the EU rather than just the Court of Justice. But yes, I think that there is a need for a much more diligent pursuit of the matters raised by the hon. Member for North Thanet.

The third part of what I say will be on the way in which the Council of Europe operates. The debate on the scope and effect of proposals, papers or conventions has to be had vigorously in the committees. That was done by the hon. Member for North Thanet, and I will

give examples of where, even in the year that I have been there, I have taken that route and had changes made. Hopefully I will bring about other changes, because that is what we are there to do: we are not there just to go to the plenaries and get our card ticked for being present; we are, I hope, there to go to the committees, participate in the debates and form and reform the papers, the proposals and the conventions that eventually come out of the Council of Europe. If we do that, it is our duty to come here and argue for them to be implemented in our country in the fullest way declared in those conventions. If we cannot do that, I question whether we are fully participating in the process.

I thank the hon. Member for Mansfield (Sir Alan Meale), because he organises the Labour side of the delegation. He was the person who suggested that, having been Chair of the European Scrutiny Committee and been a member for the past 13 years, I might see going to the Council of Europe as a natural progression, because I could see more of the debates at the fundamental level, which I did not see in the minutiae of the implementation of European directives. I thank him for inviting me to attend.

It was suggested that I should go into the committee on culture, science and education. I will speak a little about the processes that I found there, because it is important to put on the record, for those who do not know what this is all about and who read the debates, what happens there. When I went along, one of the large papers that was debated was on "the religious dimension of intercultural dialogue." When I read it, I realised, as a humanist, that the Council of Europe's fundamental principle of the right to belief as well as faith, was missing from the paper. When the committee invited people from all the main religions to discuss the paper, it also invited the secretary of the European Federation of Humanists to present a paper and to be heard in Paris. We then tabled amendments, which were debated and added to the paper. The paper was eventually discussed again in the committee, of which the hon. Member for North Thanet is also a member, and went to the full plenary, where it was passed by a 95% vote of the Parliamentary Assembly.

There are some things in that paper that I believe are priorities for our sixth-month presidency and that will be very helpful in a world where we know there is still anti-Semitism, sectarianism and in many countries an anti-Christian movement that threatens people's rights, but also persecution and a denial of the rights of people who are not affiliated to religious organisations. I found those issues fundamental to why I am here, what I believe in and what I believe are the rights of the people whom I represent, and there they were being discussed in that committee. Hopefully, my participation in that debate changed the document.

There was opposition from one or two fundamentalist born again Christians who tried to take all the references to humanism out of the paper. I am glad to say that it was defended by people of all faiths in the committee and in the Assembly, because it is not about being against something, but about including people and diversity in the real sense, not just in a small way. That was an important lesson for me that when I was placed on a committee, if I took it seriously, I could do something; I would not necessarily have carried the day, but I could at least express those views.

The other committee that I sit on is the social, health and family affairs committee. The discussions of that committee chimed very much with the interests that I have always thought that we are there to pursue, such as the discussions about human trafficking. Some hon. Members may know that I am now vice-chair of the all-party human trafficking group in this House. I have pressed—even harried—the Government to sign up to the European directives on human trafficking and the new, extended European directive against the sexual exploitation and abuse of children. I found that there was very much a campaign running on that in the Council of Europe—the "One in Five" campaign. Again, I am grateful to the leader of the delegation, who nominated me to be the UK representative on that organisation. It is in fact a network of contact parliamentarians to stop sexual violence against children.

When we talk about these things, particularly at a European level about cross-border action, some people think it is not to do with them, but I have to say that in my own constituency, in the town of Grangemouth, an industrial town, there have been two unbelievably horrendous cases—many cases, but two horrendous cases of sexual abuse of female children aged 13 and 14 months by two different people, put on the internet and spread around the massive paedophile rings throughout the world. It is in every street and every town. In fact the deputy commissioner for children in England is going to have a two-year investigation running into sexual abuse of children. On one day, she took a snapshot throughout England of local authorities and care organisations; in one day, on the same day in England, 1,000 cases of sexual abuse of children were reported in England—in one day at that snapshot. That is how frightening this is.

When we had our first meeting we were addressed by Mr John Carr, who is from the UK and is the expert adviser to the International Telecommunications Union on online protection of children. The figures he gave were horrendous: there are 1 million images on paedophile internet sites at any time in the world; there are 15 million transactions a year in the country. The one thing that is a problem is that a site can be shut down or blocked in this country within 24 hours, but there are sites running in Russia and in the USA that were reported and identified over a year ago but are still running, in Russia because of gangsterism and it is hidden and hard to get at, and in the USA because it is protected by state laws and local laws. The providers of these things can still keep running a year after they are found to be trading. It is a massive, criminal, monetary-driven enterprise—paedophile activity and the abuse of children. That was a salutary lesson for me that there was something going on there that wanted to join all 47 countries—and wider than that, but all 47 countries as a start—in a campaign against one of the most heinous crimes and most heinous possible abuses of human rights and the rights of the child.

As an adjunct, we debated in the social, health and family affairs committee—I was asked to speak, and I think the hon. Member for North East Hertfordshire (Oliver Heald) spoke in the same debate—the rights of undocumented migrant children. I think the most succinct statement of what the Council of Europe is about is the amendment from that committee that was spoken to by Madam Strik from the Netherlands. It said that a child

[Michael Connarty]

is first and always a child, and then after may be a migrant. If that is what the Council of Europe is about, that is so powerful for the people we represent, because they want that to be a right for everyone in all their towns and all their communities, and the Council of Europe allows us to do that.

We have also been addressed by the UN special rapporteur on the sale of children, child prostitution and child pornography, Najat Maalla M'jid, a woman who does this work throughout the world. It was in fact connecting the Council of Europe countries to what is happening in a much wider portfolio.

In this process of holding the presidency or the chairmanship of the Council of Ministers, I have an extra priority. It is embarrassing, and it relates to the question that I asked the hon. Member for North Thanet about having ratified a convention. The United Kingdom signed up to the convention on the protection of children against sexual exploitation and sexual abuse, which was laid on 25 October 2007—almost exactly four years ago—on 5 May 2008. We have yet to ratify it, and if we do not ratify it, it is not brought into force. Let us look at the countries that have. Spain, which was referred to earlier, signed it in 2009 and ratified it in December 2010, and has put it into force. It is no use signing something that is not put into force. I have been trying to get in to ask the Prime Minister for a number of weeks now—but have not been called—when we are going to ratify it. In our chairmanship six months, that is the time we should do this. We should ratify that convention.

It is amazing how many people have actually been involved, and I pay compliment to a lady who I am told is called Martine McCutcheon, who starred in "Love Actually"—I think she played the Prime Minister's girlfriend, if I recall correctly. She presented, with people from the UK, a petition, gathered with the help of the Body Shop, of 735,889 signatures, exactly at the time it was presented, calling for the UK to ratify that convention. That was 12 May 2011. The message does not seem to have got through to our Prime Minister and Government yet, but the people of this country want us to do that.

I pay a compliment to them and to the hon. Member, who is a Member of the Government party, who is the chair of the UK Parliament's all-party human trafficking group, and to Anthony Steen, a former Member of this House who set up an institute, the Human Trafficking Foundation. He is being supported to get campaigning organisations in all of the EU countries, but we still have a long way to go, and I hope it will be led by our chairmanship.

I have one other small point, but it is an important point. The committee on culture, science and education had a proposal before it for a recommendation towards a European framework convention on youth rights. Disappointingly, the response of the permanent member representing the UK, who will become the chair of the Committee of Ministers, was that they did not really think we needed youth rights. Unfortunately, it is a fact that now, in most of the countries of Europe, there is a long period between being a child and being put out to work. Sometimes people study; sometimes they try to make a life for themselves; and sometimes they go into work. In that period, a lot of young people fall between the two stools. They are not treated as children and they are not adults. They are not people who are making the rules; they are the people who are having to suffer the badly made rules.

Why I want to raise this is that it gives us an example of what we can do in the Council of Europe. I was on that committee and was involved in the draft. I took the draft away with me and I took it to people in the West Lothian youth forum, which is a forum set up by the local authority. I gave them copies and asked them to go away and use the youth forum to discuss this matter. What did they think of it? What did they think should be done with it? What ideas were missing from it? The forum came back with three very simple amendments. One was on housing rights and the right to housing. The forum members pointed out that you can get housing—you can get housing in the worst dumps and slums of the cities—if you are a young person, because you are basically an insecure tenant and you have difficulties. They wanted rights to housing that is actually of a standard that is acceptable at a European level.

The second one was on employment. They wanted in employment the right to training with in-work accreditation, because they knew so many young people who had got jobs and were used, basically. They were told they were getting an apprenticeship, spent two years as a grease monkey, and then when they asked to go to college to get certification, they were sacked and some other young person got taken on to go through the same process again and again.

Those are two very important matters. The third one I think is very important as well, particularly since we allow the UK Youth Parliament to meet here in this House, in this Chamber. People in the forum said they want these matters, if we ever have a convention, to be monitored by the Youth Parliament or their equivalent in Europe, so that they can have a say on whether the Governments who sign up to these things are doing anything about it.

Mr Binley: I am again most grateful to the hon. Gentleman, who is being very generous with his time. Does he think there ought to be a balancing factor to rights? I am not denying the importance of rights, but I wonder whether we ought to give equal importance to the responsibilities of the individual. Perhaps he has an opportunity to make that point and to ask the Minister whether he might consider it as well.

Michael Connarty: I think that we have quite a developed idea among those who take it seriously that with rights come responsibilities. I explain to everyone who comes around Parliament that it is a nice building, fine, but buildings are buildings; Parliament is about what goes on in here—the concept of democracy, the demos, the people who had the right in Athens and the responsibility to run the country. They had the power but also the responsibility. That, basically, is how society should be run. We get rights, but we have responsibilities at the same time. I think that our Government in the past tried to echo that again and again. I think that there are questions about whether people think that they have only rights. In Scotland at the moment, everyone thinks that everything is free: they do not pay council tax increases, they do not pay for their education, they do not pay for their prescriptions—it is all free. I am afraid that that is not a world in which people can live for very

long, because they soon become bankrupted financially but also bankrupted in terms of principle. I think that the hon. Gentleman is right: there needs to be a balance.

Those young people were amazing. They took it seriously. A Member of Parliament said, "Here is a convention or a document that will affect your lives if it is ever passed. What do you think?" They went off and treated it seriously. I know that one of the people who helped to draft it, a young David Begg, sits in the Scottish Youth Parliament, and some of them come down here and participate in the UK Youth Parliament. That is giving them rights and responsibilities in the right way, and I hope that we will take that seriously and perhaps change our position and encourage the development of something that will speak to the youth and that has to contain responsibilities. However, the debate in the culture, science and education committee was the opposite: people said, "We don't want to talk about responsibilities because we want to talk about young people having rights without saying they have to pay for them." I do not necessarily agree with the balance, but that was how it was drafted.

I will finish with one last reference to a document, Madam Deputy Speaker, because a lot of the debate going on is as though the Council of Europe is out there, the Court of Human Rights is out there, and they come and fly in and drop things on top of us that we have to implement. There is a paper from 6 June Parliamentary Assembly that I hope that every Member of the House will read. Perhaps members of the public would like to read it. It is called "National parliaments: guarantors of human rights in Europe". It states:

> "The report examines ways to better exploit parliaments' potential in this respect and proposes basic principles to be respected by the parliaments of the Council of Europe member states."

It then lists a lot of very, very sensible suggestions for how Parliaments might do this. I think that is what it is about. It is not about saying, "Europe will make the decision for you. The Council of Europe will make the decision for you. You just have to implement it." It is about thinking about how we, as parliamentarians in our Parliaments, can take those guarantees correctly.

In my first year as a member of the Parliamentary Assembly of the Council of Europe, I realised that it was the one place where I could find the things that brought me into Parliament, the things that brought me into public life as a community activist, from where I went on to be a councillor and to give up so much of my life and time to this process of democratic representation. It is about human rights. The Council of Europe sets a benchmark against which it says to all the countries in the Council of Europe area, "You will be judged by the Council of Europe." Enforceability is very important, and I would like to see more of it, but it says, "You will be judged by it. You will be held up to scrutiny by it. The more important thing is that you will have to ask yourselves, in your Parliament, how do you measure up to these human rights that should be available to everyone?" When I hear debates in here with people throwing out phrases that clearly say, "I want this human right, but that person from that country should not have it because we do not want them to have it. Send them back to their country, but they might be tortured. Send them back to their country, but they might face capital punishment," I am ashamed, because that should not be talked about in this mother of Parliaments. Human rights are fundamental and the Council of Europe is their guardian. I am very pleased to be there, and I am sure that our time as the chair, with the leadership of the Minister and the Labour Benches, will be a good six months.

Several hon. Members *rose—*

Madam Deputy Speaker (Dawn Primarolo): Order. Before I call the next speaker, I would like to draw it to Members' attention that this debate is due to finish at 6 o'clock. We will need to leave some time at the end—not too much—to hear back from the Minister, who has been given a long list of questions already. There are 10 more Members wishing to contribute. I ask them to keep their eye on the clock when making their contributions. If it looks as if everybody will not get in, I shall consider setting a time limit on speeches to try and help Members. However, I am sure that you will all want to help each other to make your points in this consensual debate.

3.59 pm

Martin Horwood (Cheltenham) (LD): This has been quite a consensual debate. It has not been as noisy and pacey as the debate about Europe that we had on Monday, but there has been a great deal of quality and quite a lot of unity, not only on the importance of the Council of Europe, but on the need to reform some of its institutions, such as the European Court. I welcome the Minister's remarks and those of the Labour representative, the hon. Member for Wolverhampton North East (Emma Reynolds), although I think she might have made a slight slip of the tongue when she suggested that the landmass covered by the Council of Europe stretched from Vladivostok to Reykjavik. The term "landmass" might come as something of a surprise to the Icelanders.

I pay tribute to all the members of the British delegation. I am sure that my hon. Friend the Member for Portsmouth South (Mr Hancock) will be sorry that he is unable to contribute to today's debate as he is feeling rather unwell. He is a committed member of the delegation, and I am sure that hon. Members will regret not hearing one of his robust contributions. I also pay tribute to the hon. Member for North Dorset (Mr Walter). He burnished his European credentials earlier this week, but he has received so many accolades today as the leader of the British delegation that that fact is worth mentioning too.

It is an enormous honour for Britain to take on the chairmanship of the Council of Europe. As the Minister highlighted, Britain was involved right at the beginning in establishing the institution, which was forged from the embers of wartime Europe and has promoted human rights, freedom and democracy, the rule of law and cultural co-operation ever since. It is sad that we are now so complacent that in some circles the phrase "human rights" has become something of a dirty word. Indeed, on occasion even the rule of law and the right of judges to interpret human rights have been questioned.

The Council of Europe shows that this is an important area that needs to be defended. Obviously the Council of Europe has a much lighter touch than the European Union and its institutions, but that gives it a much wider and more comprehensive remit. It has not just touched on human rights: we also have conventions on

[Martin Horwood]

cybercrime, pharmaceuticals, the prevention of terrorism and the prevention of torture, and—as the hon. Member for Linlithgow and East Falkirk (Michael Connarty) pointed out—on trafficking human beings and on racism and intolerance, including intolerance based on religious belief or non-belief.

The complacent and sometimes rather lazy criticism of human rights and institutions at the European level can easily drift into a reversal of the progress that we have seen in all these enormously important areas. The hon. Member for North Thanet (Mr Gale), who is no longer in his place, pointed out how important it is not just to accept that the conventions exist and that a piece of paper has been signed, but to ensure that cases are considered in detail and measures are enforced in member states. However, that does not mean that there is no need for reform. The Liberal Democrats welcome the Government's initiative to look into reforming Council of Europe institutions. The European convention on human rights is something that we should stoutly defend. We were the first state to ratify it, and we should certainly welcome the European Union's accession to it and the application of those disciplines to its institutions.

Mr Leigh: During the lifetime of this Government, will the Liberal part of the coalition veto any attempt to repeal the Human Rights Act 1998?

Martin Horwood: I do not think that there is any suggestion that we will repeal the Human Rights Act, which actually allows this country to exercise its sovereignty by bringing the European convention on human rights into British law and giving British judges the right to enforce it. That is a re-enforcement of British sovereignty, so I would be surprised if any such suggestion were made.

However, the European Court of Human Rights clearly has a lot of problems. Mention has been made of the 155,000-case backlog. Obviously it is right that the British chairmanship should work to ensure that the Court's judgments are implemented across the rest of Europe as well as they are in the UK, that its membership is of sufficiently high quality and, most importantly, that it does not act as a substitute for domestic courts.

One good initiative by the coalition has been the establishment of the commission on a Bill of Rights, which has already made interim recommendations on reforming the Court. The commission said in July:

> "It is essential for the Court to be able to address cases involving serious questions affecting the interpretation or application of the Convention, and serious issues of general importance, where the Court's intervention is justified. The Court should be a court of last resort, and not a first port of call for all human rights issues. It should be adjudicating hundreds of cases a year, not thousands, and certainly not tens of thousands, and ensuring that the principle of subsidiarity is observed by national institutions with the primary responsibility for the protection of human rights".

The British chairmanship should build on that report, and seize the opportunity to take forward reform of the Court. I also hope, however, that the UK chairmanship will not be entirely distracted by the mechanics of human rights, and that it will champion those rights where they need to be championed.

In that respect, the UK chairmanship can build on the excellent work of the Foreign Secretary in his extensive report on human rights and democracy produced last year. It contains a list of countries causing concern to the British Government because of their human rights record. That list includes several European countries and one member state of the Council of Europe. Outside the Council of Europe it highlights Belarus, which is currently barred from membership because of its human rights record. The Foreign Secretary's report describes "successive waves of repression" in that country. The Deputy Prime Minister has referred to it as "Europe's shameful secret". The Liberal Democrats' own youth organisation has highlighted the struggle of its Belarusian sister organisation, Civil Forum, stating that its members

> "continue to protest against the regime despite the potential violence they often face. Their struggle for human rights and political freedom is an inspiration to the global Liberal Youth movement."

Sadly, I am sure that similar things could well be happening in such organisations in other political traditions as well. If the UK chairmanship can advance the cause of human rights in Belarus, that would be extremely welcome.

Russia also gets an unfavourable mention in the Foreign Secretary's list. The report talks about

> "restrictions on freedom of assembly, harassment and obstruction of NGOs and journalists".

It also states:

> "Human rights defenders in Russia remained at high risk in 2010."

It highlights the cases of Oleg Orlov, of the human rights organisation Memorial, and of Sapiyat Magomedova, a human rights lawyer. It also mentions the trials of Mikhail Khodorkovsky and Platon Lebedev, and talks about the circumstances surrounding the murder of Anna Politkovskaya, about which many questions remain unanswered. This is all very sad, because Russia has for centuries been a pillar of European culture and civilisation, and it needs to understand that showing respect for freedom, democracy and the rule of law is absolutely essential if it is to become a full member of the European family of nations.

As well as mentioning Belarus and Russia, the report also refers to examples even closer to the heart of Europe. Hungary's new constitution gives cause for concern, and Amnesty International has highlighted issues in it relating to the rights of women, as well as to

> "the provision allowing for life imprisonment without the possibility of parole...and the exclusion of sexual orientation from the protected grounds of discrimination".

Hungary was in many ways at the starting point of Europe's democratic revolution in 1989. It is a free democracy, and a full member of the Council of Europe and of the European Union, and it would be a great shame if it were to acquire a poor reputation in the area of human rights. I hope that under the UK chairmanship of the Council of Europe we shall see proactive debate and promotion of human rights, democracy and the rule of law.

I welcome the Minister's remarks on the forthcoming London conference on cyberspace. It is important for it to tackle the threats from cybercrime and even co-ordinated cyber-attack. I also hope, however, that, in line with our role in the Council of Europe, it will emphasise the

values of freedom on the internet and in cyberspace. Throughout the whole episode of the Arab spring so far, we have seen how important that freedom can be to championing democracy and human rights.

On the question of the budget, the Council of Europe is a relatively small institution in the great continental scheme of things, but it has had a staggeringly large impact for its size, and I believe that it provides very good value for money. The United Kingdom should pursue an active and successful chairmanship of the Council, as that would be in our national interest, as well as in the interest of our citizens and citizens across the whole continent of Europe.

4.9 pm

John Mann (Bassetlaw) (Lab): Having heard about the worthy deeds of the Council of Europe, I shall start on the question of value for money. I was struck by that as I thought about the worthy deeds of the police and the fire service in my area, as both the police station and the fire station are being closed down. Of course there are arguments about the Government's economic policy, but all Members recognise that there has to be a level of cuts. That means—whoever is in government—that we have to prioritise what needs to be cut in the light of what we regard as valuable. There is a consensus on that.

It therefore seems strange to me that the Government do not appear to be proposing any cuts at all in respect of any of the international institutions or our contributions to them. I personally believe that a 30% cut for the European Union would amount to a pro-European case, and that it should be cut to the same degree as our police service and our fire service are being cut over the next four years—and not just in my area. That would seem to me appropriate.

I am, of course, arguing that cutting the police and fire services is the wrong priority, but in developing that argument I would not claim that the Government are either intellectually or ideologically anti-police or anti-fire service. I think that the cuts are being made in the wrong place, and I find it odd, in the light of those cuts, that the Government have not yet specified—they have the ability to do so with their six-month chairmanship of the Council of Europe—how appropriate cuts will be made to the budget of such organisations. I am not entering into a dialogue over whether that body should exist—

Oliver Heald: I do not know whether the hon. Gentleman has researched the Council of Europe at all, but its budget is being cut in real terms. What is more, it is on a pretty slim budget anyway. It is not like the European Union—nowhere near.

John Mann: I thank the hon. Gentleman, but I would say, "Count the pennies and we'll have the pounds." I would like the Government to explore the notion of whether there needs to be any base in Strasbourg at all, or at least whether some functions could be combined. *[Interruption.]* There is certainly an overlap of functions between the European Union, the Council of Europe, the Organisation for Security and Co-operation in Europe and the NATO Parliamentary Assembly. *[Interruption.]* I hear from sedentary comments that some Members do not agree; they are entitled not to agree. My point is that at a time of major cuts in many nation states, including this country, the Government should be looking to ensure that there is a commensurate cut in such bodies and in our contribution to them—and that with the chairmanship, they have the opportunity to drive that through. I look forward to seeing how it will be done.

In announcing their priorities in a written ministerial statement yesterday, the Government said that they would

"promote an open internet, not only in terms of access and content but also freedom of expression."

The statement continued:

"We will support the adoption of the draft Council of Europe strategy on internet governance, and the implementation of the principles it has adopted to uphold freedom of expression on the internet".—[*Official Report*, 26 October 2011; Vol. 534, c. 10WS.]

I want to put some questions to the Minister and to make some points about that priority. Like every other Member, I am aware of the importance of freedom of expression on the internet. There are countries both in Europe and beyond where a lack of freedom of expression on the internet is a severe curtailment of the workings of democracy or, in some countries, of the real options for democracy. The two go together. It would be worthy and appropriate for the Government to take that work forward. There is, however, always a counter-side and a balance in these issues. Freedom of expression on the internet is not always a good thing. The Americans have a clear view on the matter, which their Supreme Court has expressed many times, including recently. For example, when a church in the United States decided to picket the funerals of gay service men who had died on active duty in Afghanistan, the Supreme Court ruled that that constituted freedom of expression.

There are differing views on how far freedom of expression should extend, but it is a fact that in this country, under the present Government as under the last, there have been successful prosecutions of people who have used the internet for the purpose of hate crimes, and I applaud that. Successive Attorneys-General have worked hard to ensure successful prosecutions of those who abuse their ability to express themselves freely on the internet and, in so doing, stir up hatred and restrict the freedom of expression of others, including the victims whom they target.

I chair the all-party group against anti-Semitism. Under the last Government, when my right hon. Friend the Member for Barking (Margaret Hodge) was the Minister, and, this year, under the present Government—I cannot remember the constituency of the culture Minister, the Prime Minister's mate who is responsible for these matters—

Mr Lidington: Wantage.

John Mann: Yes, the hon. Member for Wantage (Mr Vaizey). He rightly convened a conference of experts, and I note that the Government are convening another on 1 November. Have any of those involved in the conference that the hon. Gentleman rightly convened, on a cross-departmental basis, been invited to the forthcoming conference? Will the same level of expertise be involved in the examination of hate crime on the internet, or are the Government adopting an unbalanced approach while chairing the Council of Europe, and considering only one concept rather than both? That would not be in the traditions of the parties that make up the ruling Government in this country.

[John Mann]

The all-party group has received widespread support from Members on both sides of the House for many years. Members, including some who are in the Chamber today, have participated actively. Members of the Conservative party have participated above and beyond the normal call of duty, as indeed have members of other parties, including Liberal Democrats and, of course, Labour Members. It would be rather contradictory if the Government managed to slip into a conference on the internet on 1 November, in the context of their chairmanship of the Council of Europe, without ensuring that that conference also examines, on an expert level, including by politicians, problems relating to the use of the internet for hate crimes.

The internet is now the place where anti-Semitic filth is spread, be it the old hatreds, the blood libels, the resurrecting of the protocols of the Elders of Zion, or the new hatreds caused by a failure to differentiate between legitimate criticism of the state of Israel and attacks on Jewish people. A wide array of offences are being committed on the internet, across Europe and across this country today, and there have been new developments in recent times. Social media sites such as YouTube carry videos, and social networking sites such as Facebook publish messages promoting anti-Semitic themes. In blogs, not least those in online newspapers, a particular theme will give rise to a string of anti-Semitic or other offensive hate messages aimed at a specific group. That is one of the problems and dilemmas surrounding the internet.

In case any Member is not aware of the sort of stuff that is published, let me give some recent examples. Here is a nice little one which comes from somewhere quite close to my constituency. Someone has just posted this:

"Throw the jew down the well

So my country can be free

You must grab him by his horns

Then we have a big party".

What a charming post! The following example is from a press statement:

"The Muslims joining the demonstration called upon the Muslim armies to march forth to fight the Jews, eradicate Israel and purify the earth of Jewish filth".

These examples come from this country, and there are vast amounts of this material.

The abuse is not only anti-Semitic; other hatreds are expressed as well. Various groups of people are targeted. Gay rights groups have identified this as a problem, for example. Other issues can be involved. Sometimes people who are isolated in some way can be targeted, such as through cyber-bullying, which is a huge new problem.

I therefore urge the Government to focus on these internet issues in their chairmanship, starting with the conference of 1 November. These problems must not be brushed under the carpet.

Research has been done in Norway—*[Interruption.]* The hon. Member for Gainsborough (Mr Leigh) says that this is not relevant; it is absolutely relevant. Yesterday, the Government said this issue would be a top priority for the Council of Europe during their chairmanship.

Oliver Heald: The point being made was how on earth can the hon. Gentleman criticise the Council of Europe about this issue, when the Council of Europe, and especially the Parliamentary Assembly, is trying to address these issues right across Europe? I serve on the committee on culture, science and education at the COE, and we are currently working on a report on this very topic.

John Mann: The hon. Gentleman is a very good parliamentarian and he used to be my MP, but he sometimes gets over-excited. I am not criticising the COE. I am proposing a cut in its budget, and in the budgets of other international institutions. That is not a criticism of the COE; rather, it is to do with the economic realities. If the hon. Gentleman and his colleagues wish to prioritise certain areas of expenditure, such as by red-circling overseas aid, they are perfectly entitled to do so. What I am saying is that the Government should use their chairmanship of the COE to implement a small cut in its budget—and that the budgets of other EU and international bodies should also be cut.

Mr Walter: I want to give the hon. Gentleman some reassurance. The delegation from this place to the COE has had its budget cut, as have the delegations to other international bodies. It was cut by 10% this year, and it will be affected by the overall House of Commons budget cut of 17% in this Parliament.

John Mann: I thank the hon. Gentleman for that information, and let me stress that I do not celebrate such cuts, but they are, perhaps, inevitable. I have only been to Strasbourg once—it was many years ago and it was not a trip to the Council of Europe—but it is certainly an opulent place. The following question should certainly be asked: do we need European parliamentary institutions in Strasbourg as well as Brussels?

Sir Alan Meale: I want to correct a possible misapprehension. As well as the 10% and 17% overall cuts already mentioned, for the last eight years the COE has had a nil increase in its budget, which is, in effect, a cut. The effects of these cuts are ongoing, and the COE is trying to work within the financial restrictions. In fact, one of the new secretary-general's priorities is to deliver these cuts, and he has the support of all political parties in Strasbourg.

John Mann: Turning for a moment to what is happening in my constituency and that of my hon. Friend, I could mention the closure of fire stations. I hope the Government take a lead on seeing what more can be done, and I am certain the Minister is listening to this point.

On the Government's priority to deal with the internet, the research from Norway, following the horrific murders there, on the propensity to violence of those surfing extremist websites needs further exploration. We need to analyse how the internet can have an impact on violence, including terrorist violence. This is a key area for us to do more work on.

We also need to address the question of corporate responsibility, not least with the internet providers. This chairmanship provides us with a great opportunity—with the internet as a priority—for the Government to get into that dialogue with the internet providers about

precisely what their role is, how that can be improved and how best practice can be spread among them. I mentioned the overlap in the work of bodies such as the EU and the OSCE, and work on the internet causes a huge overlap. How are the Government going to use this opportunity to ensure that this work permeates those bodies and does not stand alone, because that would not be as effective as something that crosses over and permeates work ongoing in those two bodies?

How do the Government see the issue of education and the internet, including how young people are educated in schools on how they use and access the internet? We need to address the whole issue of grooming, child pornography and so on; important issues are involved. How are the Government going to use this opportunity to look at how best practice from other countries can be shared, how intelligence can be shared between law-enforcement agencies and what the law-enforcement regime should be, because it differs greatly between different member states of the Council of Europe?

All this provides a huge opportunity, albeit with a reduced budget, for the Government to make a mark, using their chairmanship of the Council of Europe and using the fact that they have prioritised the internet, starting in a few days' time with the Foreign Secretary hosting this conference. I urge the Government to make sure that the balance is struck between freedom of speech, which is vital for democracies, and tackling the hate crimes that permeate the internet. If that balance is in their chairmanship, the Government will doubtless do a good job.

4.27 pm

Mr Edward Leigh (Gainsborough) (Con): The hon. Member for Bassetlaw (John Mann) is my next-door neighbour across the Trent, so I hope that there will be a sort of symmetry to our speeches; I will balance his speech for the purposes of the *Gainsborough Standard*. He is, of course, an ornament of Parliament, not least because he succeeds in irritating his own side as much as us, which is very good.

You, too, are an ornament of Parliament, Mr Deputy Speaker. You are also a former member of the Council of Europe. We all recall you often flying the flag for Britain on a Friday when everybody else had gone home. We are very grateful for all the work you did in the delegation. I am not sure that anyone has yet thanked you, so I wanted to put that on the record. In the Council of Europe we are restricted to three-minute contributions. I cannot promise that I will take as little as that, but I shall try to be as quick as possible because I know that others want to speak.

I am very proud to be a member of the Council of Europe. When we go there we see some marvellous history laid out in the foyer, with pictures of Winston Churchill speaking to one of the first sessions, if not the first. There is something very noble about this concept which, as we know, arose out of the second world war. The Council of Europe was a tremendously powerful mechanism in saying that we were never again going to have the horrors of Nazism and fascism. We should also be very proud of what the immediate past generation of members of the Council of Europe achieved in the whole transition to democracy in eastern Europe, of what the Council of Europe has achieved in eastern Europe and of how we are really defending human rights in eastern Europe, where there have been the most appalling and profound abuses, as there were in western Europe before 1945. To me, that is what the Council of Europe, the European convention on human rights and the Human Rights Act 1998 are all about; it is about the fundamental freedoms that, from Magna Carta onwards, we have built up in this country. We have become a beacon of those freedoms. We all know what they are: freedom of expression and of religion, the right to privacy and a family life—wonderful, basic freedoms. That is what I believe Winston Churchill was talking about, but what we have now seen is judicial creep way beyond anything ever envisaged when the convention was agreed.

There is a misunderstanding about this issue. Nobody on the Government Benches is suggesting that we should leave the convention. I am proud of the convention that we signed in 1949. All we are attacking is the incorporation of the convention into our law under the Human Rights Act 1998, which was passed by the Labour Government. That is our gripe. Nobody is denying that we should be a member of the Council of Europe or that we want to reform it, but this has become a very serious issue. If one looks on the front pages of the newspapers today one will see, just to take one issue, that the population of this country is due to rise within 20 years to 70 million people—a figure that the Labour Government said was quite unacceptable and would never be reached. Two thirds of that increase comes from immigration—that will put a severe strain not only on services but on good relations and human rights. This issue of immigration is therefore important.

If the Minister for Immigration were here and were allowed to speak openly about what is happening in his Department, I am sure that he would have to admit that he is severely constrained in what he can do to deal with this problem of immigration in order to foster good race relations because of the incorporation of the convention into our law. Although he cannot tell us, because he is a Minister, what is going on inside his Department, we have, as I mentioned earlier in a couple of interventions, now heard from a former Minister for Immigration. His diary really is worth revealing because it tells us in great detail what is going on. This is not some right-winger speaking: it is a former Labour Minister—a person who voted for the 1998 Act, was then put in a position of responsibility and was, frankly, driven mad by it.

Martin Horwood: I am tempted to discuss the issue of immigration and suggest that it is more to do with providing the skills in the right jobs, as that is what is drawing in immigration—that is something that the coalition is tackling.

The hon. Gentleman talks about getting rid of the Human Rights Act, which effectively means taking the ability to interpret the convention out of the hands of British judges and giving it back to European judges. Does he not trust British judges or does he think that by doing that we will somehow not be implementing it as fully as we would be if it were in British law?

Mr Leigh: I am grateful to the hon. Gentleman because this addresses precisely the point I want to make. I believe that the convention as we understood and implemented it from the late 1940s to the late 1990s

[Mr Leigh]

was about the protection of fundamental rights. It was understood to be a matter of last resort. If somebody was really dissatisfied with the way that their human rights had been treated in British courts, for example in the immigration process, they could, if they wanted—frankly, after they had been removed—take a case to Strasbourg. What has happened since then—since we have incorporated it—is that we have had a tidal wave of cases coming to our own judges, and they have interpreted the convention in such a way that makes it very difficult for Ministers to do their job. Members of Parliament might not worry about whether it is bad to make it difficult for Ministers to do their job, but Ministers are responsible to this Parliament. This is the democratic forum of the British people. This Parliament should be supreme—not the courts.

If hon. Members do not believe me, they should listen to what Mr Woolas said. I have already mentioned the case. For years we had been working on both sides of the House against forced marriages and we had been trying to raise the age of women coming here. I mentioned in my intervention on the hon. Member for Wolverhampton North East (Emma Reynolds) how that had been overturned by judges. I ask hon. Members to listen to this quote from Phil Woolas, the former Labour Minister for Immigration, which directly mentions the European Court. He said:

"We have four people wanted for genocide in Rwanda (there are 100 but the four are the test case)"—

so we have here four people who are wanted for quite serious crimes, so not very nice people. The quote continues:

"The magistrates had agreed to extradite them but the High Court had disagreed on the grounds that they would not get a fair trial in Rwanda.

I am advised"

by my civil servants

"that I should grant six months leave to remain in the UK 'in the hope that the legal system in Rwanda improves'.

I had asked why we couldn't try them in The Hague and was told as they were not British, I couldn't send them there!

So a person accused of committing genocide in an 'unsafe country' (which country that has genocide is safe!) simply has to get into an ECHR country and they will get away with it. The ECHR is providing cover for people who commit genocide. Madness."

That is not me speaking—it is a Labour Minister.

I will refer to another case and then I will stop. There were many others, and I recommend that hon. Members read what is going on inside the Department, because it is our only insight into what is actually happening across Ministers' desks.

"The French Navy detained some drug smugglers in the middle of the Atlantic. It took 14 days to get back to France because the ship was on patrol. But the…gangster took the French government to court for unlawful detention under the ECHR, saying he should have been dealt with sooner!...The smugglers have been released…I have now asked why we can't change the law to stop this abuse but the MoD don't want me to as they are using the same defence to protect six British soldiers, now back in the UK, who are being sued from Iraq after being accused of unlawfully detaining suspect insurgents in Basra…So we cannot detain suspected gangsters at sea and the Human Rights Act applies in Basra. Unbelievable."

That is not me speaking; it is a Labour Minister.

That is what we have come to, and it is now affecting national policy in a very profound way. The House may not agree with me about immigration, but I think it is a very serious issue for our country. We have to grapple with it if we are going to ensure good race relations in the future. I believe that a population of 70 million is unsustainable. You may not agree with that, Mr Deputy Speaker, but surely you agree that this House, and Ministers responsible to us, should have the right and the power to deal with it; you do not believe that at all times their hands should be shackled behind their back because of a European convention that has been interpreted in such a way that it goes way beyond what anyone envisaged when it was set up.

Bob Stewart: The Human Rights Act also has a direct impact on operations for our armed forces, and often constrains the way in which our commanders can operate. They spend a heck of a lot of their time working out how not to offend the Human Rights Act rather than working out how they can carry out their operations. It is a very big difficulty, which we must also overcome.

Mr Leigh: I am grateful for that; my hon. Friend speaks with personal knowledge.

I shall end in a minute. I think I have made my point and I hope I have made it in a way that the House understands. Yes, I do believe that the Council of Europe needs some reform; the Court certainly needs some reform. There are obvious things that we could do to fillet the number of cases. A backlog of 160,000 is ridiculous and unsustainable. The Court should deal with fundamental abuses of human rights, which are still going on in some countries; let us be fair about that.

We have had recent debates in the Council of Europe about massacres and persecution of Christians in the middle east. Those are things of the sort that I think the founding fathers were thinking of—the horrible events, the disgusting and vile abuses of human rights that have been taking place in Libya within the past year, or in Syria in the past few weeks, or in Iraq over the past 10 years, and if those countries were part of the convention in the Council, that may be a good thing. That is what we should be focusing on, not these absurd, trivial cases—tens of thousands of them.

I cannot believe that a filleting process cannot be developed. I cannot believe that we cannot have a process similar to that which our own ombudsman uses. We are constantly being approached with requests to go to the Parliamentary Ombudsman, and there is a very quick process which fillets out immediately all cases that are obviously not applicable to the Parliamentary Ombudsman. Then the Court really could be something powerful, noble and great, which would be a beacon to the world. It really would defend human rights, because it would focus its attention on those very real abuses, which, I am afraid, are still taking place in the rest of the world and even, I suspect, in some parts of Europe in limited circumstances.

Having done that, I believe that we should repeal the 1998 Act and replace it with our own Bill of Rights. That Bill of Rights should be based on a fundamentally British understanding of how our common law has developed since the Magna Carta. It should protect people's individual freedoms, but not take the whole process to a ridiculous conclusion, the sort that states

that I cannot say what I believe or speak my truth if it might somehow insult the sensibilities of, for example, an hon. Friend. For instance, there was an absurd case concerning an argument about Islam that took place over the breakfast table in a bed and breakfast. The owner made a disparaging comment about Islam, suggesting that it was a violent religion—not a comment I would have made—but it was said in the course of a normal conversation. He was promptly taken to court for somehow infringing the human rights of the person with whom he was arguing. We all know that this is profoundly un-British and that it is not working. It is preventing British Ministers carrying out what a British Parliament wants. I believe that we should replace the 1998 Act with a British Bill of Rights.

4.41 pm

Oliver Heald (North East Hertfordshire) (Con): May I start by congratulating you, Mr Deputy Speaker, on being made an honorary member of the Parliamentary Assembly of the Council of Europe, which is well deserved? Of course, many of us are very sad that you are not so frequently there, partly because we now have to speak on Fridays, and you were always extremely good at that.

I agree with much of what my hon. Friend the Member for Gainsborough (Mr Leigh) said. The European Court of Human Rights has a very important function. The European convention on human rights was designed by English lawyers and expresses what were seen to be the fundamental rights of English common law—the right to a fair trial and so on. It is therefore ironic that the introduction of the Human Rights Act, which incorporated the convention into English law, has somehow been seen as a new departure and used to extend the law, which I think is the mistake. It is the way in which it has been incorporated that is the problem.

I am chairman of the executive of the Society of Conservative Lawyers, which for some years has produced publications and pamphlets arguing for a British Bill of Rights. The secret of why that approach is the right one is that it would be possible to have some kind of route map explaining how the rights should be interpreted in English law, which is what is needed. I welcome the fact that the Government have established a commission to consider that. At the Conservative party conference the Home Secretary talked about the immigration rules and how they comply with the convention. She made the point that it is not the rights themselves that are the problem, but the way they are put into English law in the immigration rules. She is now going to change those rules to ensure a more sensible approach that explains the interaction between the right to a family life and the national interest, which I think is the right way forward.

The hon. Member for Bassetlaw (John Mann) should spend a little more time researching what the Council of Europe does, because although it is an unusual creation, it is an important one. It is multi-layered: it has the Parliamentary Assembly, which does one sort of work, and the organisations allied to it, such as the group of states against corruption; it also has a congress of local and regional authorities, which involves local government across the 47 countries; then there is the Court, which deals with matters that have been presented by individuals complaining about how countries are implementing the convention. He should look at the effect of all those institutions acting together, because he will find that they are doing a very useful job. The Council of Europe is not an expensive institution in the way the European Union is—I agree with his criticism of the lavish expenditure on the EU and the need to cut it considerably.

The issues that the Council of Europe as a whole addresses, such as migration, are the great issues of the day. My hon. Friend the Member for Gainsborough (Mr Leigh) has just expressed his concerns about migration. My hon. Friend the Member for Christchurch (Mr Chope), who is chair of the Council's committee on migration, refugees and population, recently produced a major report on migration and how we should tackle it right across the Council of Europe area. It is easy to think that that is the same area as the EU, but it absolutely is not: the Council includes Russia and Turkey and so covers a vast area. As a result, it is able, if its reports are implemented, to have a serious effect on the problem of migration. It is an institution that can cope with that sort of big issue. Equally, the culture, science and education committee is looking into the very issue that the hon. Member for Bassetlaw is concerned about: the internet.

If all 47 countries sign up, it is possible to effect change. The hon. Gentleman should not think of the Council of Europe as an institution like the EU; it is not. The Council covers a wider area, it is multi-layered and, as the hon. Member for Mansfield (Sir Alan Meale) said, its Parliamentary Assembly also has peace missions. If we think back to the Russia-Georgia conflict a couple of years ago, we find that it was the Council of Europe that sent in a team to try to broker peace in that very dangerous situation. The Council also monitors elections. My hon. Friend the Member for Christchurch was in Tunisia last week doing valuable work. The Council is spreading democracy and tackling some of the big issues as only it can, and the hon. Gentleman ought to take a more serious view of it. He spends a lot of time planning mountaineering expeditions—indeed, I once met him at the top of Scafell Pike—and he ought to do that sort of preparation on this subject.

John Mann: The hon. Gentleman has spent too much time on top of mountains, I think; he needs to listen a little more carefully. Election monitoring is also done by the Organisation for Security and Co-operation in Europe and by the European Union, so there is some overlap. It is not a criticism of the work of the Council of Europe to suggest that it can take a bigger haircut along with everyone else; indeed, it is the pro case, just as it is the pro-European case to suggest a big haircut for the European Union. A credible organisation like that can get away with a haircut—because it is credible.

Oliver Heald: The hon. Gentleman made his speech, and I have disagreed with several points that he made, so we will probably have to leave it at that.

The Government are right to make Court reform a priority, however. With a backlog of 162,000 cases, there is a need for a filter to provide some way of getting through them, and we are right to try to introduce more subsidiarity. I agree with our delegation leader, my hon. Friend the Member for North Dorset (Mr Walter), that we should have a system in which one needs leave to take a case to the European Court of Human Rights, although personally I think that one would need also the right, if leave were refused, to apply directly to the

[Oliver Heald]

Court. That would not open a great floodgate of cases; it would just mean that, if a particular case were decided for political reasons, which is what can happen in some countries, there would be a further way through.

On the Human Rights Act, I have mentioned my support for a British Bill of Rights, but the other issue is the quality of the judges. I have been a member of the Council's Parliamentary Assembly for only two-and-a-half years, or perhaps three now, but that problem has been raised in the Assembly throughout that period. Some judges just do not know the Court's law base, and there is a concern that some countries' candidates are just not adequate. We should find ways to improve the quality.

Sir Alan Meale: Will the hon. Gentleman confirm, so that the House is not left with the wrong impression, that we refuse candidates at every session? If they do not meet the language, experience and gender balance criteria, we do not appoint them. We send them back, time and time again to some countries.

Oliver Heald: Yes, and of course the answer is not to find a way of letting unsatisfactory candidates through; it is to secure an improvement in the quality of candidates. Knowledge of the Court's key languages is vital; otherwise it is not possible for the judges to interact with it.

My impression of the European Court of Human Rights is that it takes a slightly diplomatic approach to its cases and almost sprays round the judgments a bit. There is a need to act entirely on the basis of serious human rights abuses and not to feel that every country of the 47 must have a judgment against it. More focus on serious abuses of human rights would meet the point made by my hon. Friend the Member for Witham (Priti Patel) and other hon. Friends.

I support Secretary-General Jagland's programme of reform, which will save money—the hon. Member for Bassetlaw will be pleased about that—and streamline the organisation, reducing the number of committees. It is worth giving credit to Mr Mignon, who is rapporteur of the committee on rules of procedure, immunities and institutional affairs, and involved with the Assembly's bureau. He has played a major part, and his report on changing the rules is a major piece of work. My hon. Friend the Member for North Dorset played a big part in that. Those changes will improve how the Assembly works.

The rule of law is an important priority for the Government, and I want to mention two issues. The first is migration. If we are to tackle migration, it is important to follow the approach that the committee on migration, refugees and population set out in its recent report, when my hon. Friend the Member for Christchurch (Mr Chope) was the rapporteur. That involves sticking by the Dublin agreement. Asylum seekers must apply for asylum in the first country they arrive in; otherwise they may be sent back to that country. There is talk in the Council of Europe about flexibility and shared responsibility, which suggests that some people who apply for asylum could be waved through to other countries for their case to be dealt with, but that would drive a coach and horses through the regulation of migration in Europe. Many people already cross external borders illegally. It is important to stick by the Dublin agreement. We should also have better arrangements for patrolling the Mediterranean, and I know that the Government are supporting moves in that direction. I support the idea that our Government could send officials to help to deal with immigration cases in Greece and Italy, rather than going for the shared responsibility, wave-them-through approach. I hope that the Government will continue to offer that support to our southern neighbours in the hope that there will be no weakening of the Dublin agreement.

On extraordinary rendition, Dick Marty, the Swiss parliamentarian, recently produced "Abuse of State Secrecy and National Security: Obstacles to Parliamentary and Judicial Scrutiny of Human Rights Violations". It is his last report, because he is standing down from the Council of Europe. I pay tribute to his long-standing commitment to human rights, and his campaign against extraordinary rendition. In his latest report, he pays tribute to the all-party group in the House that deals with the issue, and describes its efforts as untiring. It is right to pay tribute also to the all-party group.

The key point about Mr Marty's report is that it builds on what we have been doing in this country. He says that legislation should not be a cloak for wrongdoing and highlights the importance of parliamentary scrutiny of the work of secret services, as we do here—although, obviously, there may room for improvement in that. He points to the need for courts to develop procedures where secret information can be used without damaging state security. He also addresses the settling of the cases that arose out of Guantanamo and the report that is being produced by the special inquiry led by Sir Peter Gibson. In doing so, he acknowledges that this Government are taking the issue seriously and approaching it in a way that could be a model for other parts of Europe.

The committee on culture, science and education is in the process of producing a report on internet governance. There has been and continues to be a good deal of argument about exactly what the report should contain. I am glad that the Government are making the issue one of their priorities. I hope that when the report comes out, assuming my hon. Friend the Member for North Thanet (Mr Gale) gets his way on exactly what is in it, the Government will take it seriously and use it as part of their approach.

Finally, I welcome the Government's concentration on tackling discrimination on the grounds of sexual orientation and gender identity. What we do in this country is very seen much as the model for the rest of Europe. Some other countries are way behind—examples have been given with which I agree. It is good that our Government are going to build on the work that has been done in this country and try to spread it across the 47 countries of the Council of Europe.

In conclusion, it is very wise of the Government to have reached agreement with Ukraine and Albania—the countries whose periods of chairmanship are on either side of ours—because that means that, over an extended period of 18 months, the chairmanship can concentrate on some issues and get a result. I wish the Government well and hope that the Interlaken process is the success that it should be. The fact that 47 countries are involved, the largeness of the geographical area covered, and the way in which the organisation is led mean that if something is done right in one country, best practice can be spread right across Europe.

4.57 pm

Mr Brian Binley (Northampton South) (Con): I thank the hon. Member for Bassetlaw (John Mann), who is leaving his place, for reminding me that I need a haircut this weekend.

I am a member of the Council of Europe—and a proud member, actually. I am rather surprised by how much I am enjoying it, but you will understand the reasons, Mr Deputy Speaker.

I welcome many of the Minister's remarks. I was especially pleased to hear his comments about a Bill of Rights and about subsidiarity. The Government seem to have a real programme to implement over the six months of our chairmanship, and most of us in this House would welcome that. However, we shall be scrutinising his work and keeping an eye on him. That is the job of this place, and I know that he will welcome it.

Mr Leigh: No, he won't.

Mr Binley: I am sure he will.

The European Court of Human Rights has a proud history of defending the rights of individuals, but there is no doubt that there have been several questionable judgments that raise issues about its competence across the piece. I refer to the membership of the judges' bench. It has already been said that a number of judges have little judicial experience, and indeed that some of them were political appointees. That does no good for the whole concept of jurisprudence. We ought to be making an effort to ensure that a court of this importance is matched by the quality of the judges who sit on its benches, and the sooner we get down to that, the better it will be. One judge was reported not to understand the concept of legal precedents. When one gets that sort of ignorance in a court of this kind, one begins to wonder what sort of justice it imparts. Indeed, many people in this country have begun to believe that some of its judgments are, to say the least, beyond the pale. Those people are responsible for overturning the decisions of this House and our courts, so we have a right to expect a greater degree of competence and better qualifications. I know that the Minister will take those thoughts on board.

My next point is about languages—a subject touched on by my hon. Friend the Member for North East Hertfordshire (Oliver Heald). The 2005 Woolf report made 26 recommendations on the working methods of the European Court of Human Rights. One was the provision of language training, and yet that has not been implemented. We all know that interpreters can change the nuance of language dramatically when they interpret one language into another. Because the nuance changes, the meaning can be totally different. That is simply unfair to the people who put their trust and faith in the European Court of Human Rights. I urge the Minister to put language training for judges on his little list as an absolute priority.

The 2010 Interlaken conference and declaration stressed the need to preserve the high quality of the European Court of Human Rights. I have already referred to the lack of quality. This matter is consistently asked about, and it is consistently recorded that we need to do things. No wonder the people of this country get a little impatient when nothing happens. I want to send the European Court of Human Rights the message that it must get its act together, because it is undermining the confidence of the people of this country—and, no doubt, that of the people in other countries—which is so necessary for it in doing its work.

I was going to talk about prisoner voting, but we had a big debate on that recently. Suffice it to say that I believe that prisoners are in prison by choice. They are not forced to break the law; they choose to break the law. Therefore, there is no problem with the removal of that human right. They choose to deny themselves that human right. We ought to do some plain talking when this matter comes before the Committee of Ministers.

I also question the judges' appreciation of our values and legal procedures. This nation is lucky to have a common law based on almost 1,000 years of life experience—a common law that has served this nation well. To my mind, it covered all the necessary protections of the people of this country. Indeed, they seem to think that it covered the necessary protections themselves. The fact that there are so many different codes of law in a 47 nation-strong Europe underlines the need for greater knowledge of the various codes of law in those countries. If necessary, that might require a division of the judges' bench. We certainly need them to understand our code of law if they are making judgments about our citizens.

Martin Horwood: In arguing for an awareness of our code of law, cultural traditions and values, is the hon. Gentleman therefore arguing in support of British judges having the right to interpret the Human Rights Act 1998, and therefore the European convention on human rights, in British courts?

Mr Binley: I am delighted to say that most senior judges believe in the primacy of Parliament, and I have no concerns about that. A few judges have tried to argue differently. Only recently, I noticed the remarks of a senior judge in the Court of Appeal that underlined the importance of the primacy of this place.

Martin Horwood: Will the hon. Gentleman give way again?

Mr Binley: I want other people to be able to speak, and many Members have spoken for a long time, so I will reject the hon. Gentleman's request on this occasion.

I wish to touch briefly on the 162,000-case backlog in the European Court of Human Rights. We all know that it is farcical, and that something must be done about it. I am glad that the Minister has decided to do something. However, I must ask him something. I was once told by a fortune teller that I would live to beyond 80, which would be another 11 years. Will the measures that he puts in place during our chairmanship be completed, and will the list be eradicated, in that time? It worries me, and I want to go to meet my maker with a clear and untroubled mind.

Finally, I wish to say that I know the Minister cares about these matters and is well placed to represent us in respect of them. I look forward—for the first time in many years—to action on the European Court of Human Rights that will give the British people confidence. If the Minister comes away after the six months of the British chairmanship having achieved that objective, we will all be prepared to say, "Very well done, Minister!"

5.5 pm

David T. C. Davies (Monmouth) (Con): May I, too, begin by congratulating the Europe Minister on a speech that I think united not just all on the Government Benches but many members of all parties? It is obvious that he intends the chairmanship of the Council of Europe to be used in a positive way and to reform the European Court of Human Rights, which I fully support. That institution was set up in 1949, as we have heard, when we had just come out of a war against dictators and other dictators were still ruling parts of Europe—as they did until well into my lifetime, in the 1970s. It was right that a country with 1,000 years of democracy and a history of supporting human rights should be part of that process, and we should be proud of what we have done and achieved. However, there are things that have come out of the Court that rightly give everyone concern. I wish briefly to mention two with which I have had a personal involvement.

First, a lady came to speak at a meeting I organised about four years ago. I have not spoken to her this afternoon, so I will not mention her name, but she has been in the papers. She was the victim of a sexual assault by somebody who had five convictions for sexually assaulting women, but who was successfully able to use article 8 of the European convention on human rights to ensure that he was not deported back to Sierra Leone. That is a very good example of the human rights of women in this country not being put first. We are putting the rights of rapists and serial sex attackers first, and that has to be wrong.

The second issue, which has also been mentioned today, is the interference in the Government's decision to try to raise the age for marrying a foreign spouse from 18 to 21. When I served on the Home Affairs Committee under the excellent chairmanship of the right hon. Member for Leicester East (Keith Vaz), who was here earlier, we took part in an inquiry into forced marriages. We heard terrible and shocking evidence that they were widespread in some communities, and that some young women had said in private to British embassy officials, "Please don't give this man a visa. I don't want to marry him," but were unable to say that in public because of family pressure. As a result, judges in immigration tribunals did not take account of evidence that had been given in private, and they granted spouse visas. That is why the Government wanted to raise the age—to protect the human rights of young females in certain communities in this country. That should be a priority.

I absolutely support gay rights and think it is totally unacceptable that anyone should be discriminated against because of their sexual orientation. I sometimes think, though, that that battle has already been won. I would not have thought that many people would think that acceptable any more, certainly in this country. I therefore wonder whether we should prioritise what I think is an even bigger issue for all of us—the thousands of young girls in this country and across Europe, and young males in some instances, who become the victims of forced marriage, domestic slavery, genital mutilation and other such completely unacceptable things.

I am not a member of the Council of Europe, although I would be more than happy to support it in any way if I were asked to do so. None the less, I look forward very much to the UK's chairmanship of that organisation, and to seeing some of the reforms that have been mentioned today.

5.9 pm

Damian Collins (Folkestone and Hythe) (Con): It is a pleasure to be called, and a privilege to have the chance to play a small part in this debate. The UK chairmanship of the Council of Europe comes round not very often, so we can truly say that we will not see the like of this parliamentary occasion for decades to come.

I concur with many colleagues who have spoken, particularly on the urgent need for reform of the European Court of Human Rights and the terrible problems caused by the large backlog of cases. I am sure that all hon. Members know of constituents who simply do not know whether a case that they have submitted will ever be heard, and who do not know where they stand.

My hon. Friend the Member for North Thanet (Mr Gale) and others commented on the importance of internet governance in Europe. That is important in terms not only of internet freedoms, which were an important part of the Arab spring, but of personal security and trade. We need the internet to work as an open common trading environment. People who seek to pass off goods or to break copyright and intellectual property protections on goods and services in the EU, and who use the internet to facilitate that, should know that the force of law will come down on them. That is a challenge for the Council of Europe, the Government and the EU.

I should like to use the time allowed not to go over some of the matters that have already been covered, but to ask the Minister to consider ethics and integrity in sport—another important matter—as part of the work of the UK chairmanship of the Council of Europe. The debate is timely, given the Council's work on match fixing, on which it has engaged with UEFA. It is also part of the general debate on the reform of FIFA, the governing body of world football, about which members of the Council have also had things to say.

Sport and the ethics of sport have played an important role in the Council of Europe since it was started in 1949. Through the years, the Council has built up significant competence in specialised areas such as quality assurance in sport, and agreements adopted at world and European political levels. The Council of Europe has a unique and important role to play within the sporting environment. It is not a member state Government, an EU institution or an international Government or body, but a forum that brings together people who have concerns about the future of Europe, how countries work together, and the rights and freedoms that we all enjoy. It works across the political spectrum, including in the world of culture and sport.

The Council passed the enlarged partial agreement on sport, which provides a forum for a discussion of ethics in sport and for championing those issues. In 2005 the Committee of Ministers adopted a recommendation that called on the Council to consider that

"good governance in sport is a complex network of policy measures and private regulations used to promote integrity in the management of the core values of sport such as democratic, ethical, efficient and accountable sports activities; and that these measures apply equally to the public administration sector of sport and to the non-governmental sports sector".

The Committee also called on the Council to consider setting up

"mechanisms to monitor the implementation of good governance in sport principles, and put in place mechanisms to deal with inappropriate or unethical behaviours in sport, including prosecution where necessary."

Those are fundamental points, and I am pleased that the Council considered them in its working activities. It could bring those recommendations to bear and raise the issue of good governance with FIFA, the world football body. An active debate on that has been led by Members of this Parliament—the Select Committee on Culture, Media and Sport this year produced a report on FIFA reform and allegations of corruption against senior officials within the game.

FIFA is based in Europe, and as we have heard, almost every country is represented in the Council of Europe. One country that is not represented is the Vatican, which FIFA is like in some ways. It has an extremely powerful global figure—Sepp Blatter—who is beyond the protection of government. He certainly moves around the world like a latter-day pontiff or monarch, and is above the counsel of both court and Parliament.

People who love the game of football, which is played around the world, including within the jurisdiction of this Parliament, ask, "Is that right? Is there a role for international bodies such as the Council of Europe and parliamentary bodies and Parliaments to speak up?" Allegations of corruption against senior members of FIFA and members of the FIFA executive committee have been made in this Parliament. It is right that we take those allegations up with such governing bodies, and that we challenge the president of FIFA, Sepp Blatter. It is also right to ask whether FIFA is putting its house in order, and whether the concerns of the citizens of Europe, including citizens of this country, are being dealt with by governing bodies. Should we not seek to prosecute people who have done wrong, and launch independent investigations into allegations of wrongdoing?

FIFA is a particularly good—or rather, bad—example of a body challenged by allegations of corruption against its most senior people. In the past 12 months, of the leading 24 FIFA members who make up the executive committee, 11 have faced serious allegations of corruption, two have been suspended, one has been banned for life, one has resigned and four are currently under investigation. This is a body in considerable crisis. In June Sepp Blatter, the president of FIFA, committed the organisation to leading a process of internal reform. I believe that that process needs to move a lot more quickly. I believe that no real progress has been made. At the FIFA congress earlier this month, Sepp Blatter set out a taskforce.

Mr Binley: My hon. Friend knows that I am very interested in football, and in fact played for a long time. Does he not think that Sepp Blatter is part of the problem, not part of the answer, and that the review of FIFA ought to be independent and made up of a global group of people who really understand football?

Damian Collins: My hon. Friend is absolutely right. For a review of FIFA to have any meaning, there needs to be a fully independent investigation into all the allegations made. Transparency International, which conducted a report for FIFA, said that this should be the first step towards cleaning up FIFA. It should involve people from outside the organisation and from different walks of life—perhaps judges, people in politics and people with experience of governance in other sporting institutions—who could take the lead and have the power to initiate their own investigations, produce their own reports and do so in public. FIFA has set up a taskforce to look at good governance within FIFA. I think that that needs to move faster and that it should consider commissioning people from outside the organisation to lead the investigations internally. That is absolutely key.

We know of the concerns expressed by some of the judges who have served on FIFA's ethics committee. In January one of Germany's most respected judges, Günter Hirsch, left the committee in disgust and said:

"The events of the past few weeks have raised and strengthened the impression that responsible persons in Fifa have no real interest in playing an active role in resolving, punishing and avoiding violations against ethic regulations of Fifa."

These are legitimate areas of public concern, and it is legitimate for Parliament to take an interest in them too. FIFA has taken some steps forward in the past few weeks. The idea that the location of the World cup should be decided not by an elite few people in the game, but by representatives of every FIFA member, is a step in the right direction. However, widespread investigations are needed into all the allegations of corruption made so far, so that there can be a clean slate.

There has to be greater transparency in the work of FIFA and in how its money is spent, particularly in developing football countries around the world, so that it can be audited and publicly accounted for, just as the work of Parliament or the Government is. The backgrounds of people who serve on international bodies such as FIFA should be clear. If they have any conflicts of interest those should be made clear, as is the case for a member of the Government or a Member of Parliament. If they have financial interests, or their family members have financial interests, in football, it should be on the public record. Any pounds spent by FIFA anywhere in the world should be accounted for. We should know where they go. That is what is required to put football's governing body back on an even keel and to restore faith in it. However, because of how it is constituted, that change has to be driven by FIFA and Sepp Blatter.

The pace of that change and reform must be greatly accelerated, and it must have a degree of transparency that it simply does not have now. The Council of Europe, and the UK's chairmanship of it, could consider that matter as part of the work of the Council's sub-committee on youth and sport. We should debate those issues within that forum, alongside its work on other areas of ethics in sport, particularly match fixing, as I mentioned earlier. It should produce its own report and view to add to the external pressure that must be placed on FIFA, if the necessary reforms are to be put in place and we are to have confidence in FIFA as a world governing body. That would be an incredibly important and popular thing for the Council of Europe to do, and a great way for the UK's chairmanship to demonstrate its commitment to ethics and sport, as well as the other important areas of work that the Minister outlined.

5.19 pm

Mr James Clappison (Hertsmere) (Con): It is a great pleasure to follow my hon. Friend the Member for Folkestone and Hythe (Damian Collins). I am sure that football supporters throughout the United Kingdom would echo his remarks—as an England supporter, I certainly endorse what he said—and I am sure that everyone shares his concern about how our beloved game is being administered internationally.

I have already paid tribute to my hon. Friend the Member for North Dorset (Mr Walter) for his sterling work in leading the British delegation to the Council of Europe, but I would also like to pay tribute to Opposition Members who have led the delegation while I have been a member of it. I also pay tribute to my hon. Friend the Member for Christchurch (Mr Chope), who is the chairman of the Council of Europe's migration committee, on which I have the pleasure of serving, for all his hard work in that capacity, and in such an important field. It has been instructive and interesting for me to see how other European Union member states and their representatives view migration. For my part, I am concerned that the questions of who should be permitted to cross borders, who should be permitted to reside in countries, settle in them and become citizens, and who should be removed from them should principally be a matter for member states' Parliaments and not determined by European law. We must be careful to ensure that the jurisprudence of the European Court of Human Rights does not obtrude unnecessarily in the field of migration.

I want to make three points about what lies ahead for the British chairmanship of the Council of Europe. The first concerns the European Union. I have already made one speech in the Chamber about the European Union this week, and Members might feel that one is enough for a week—I certainly feel it is. However, it is not me who is bringing the European Union into this debate; rather, the European Union is bringing itself in. It seeks to accede to the European convention on human rights and wants Members of the European Parliament to participate in some of the Council of Europe's activities. I have many reservations of principle about the accession of the European Union to the Council of Europe and the European convention on human rights. I am not clear on what basis the EU seeks to accede to the convention, because every other member of the convention is a nation state and the EU says that it is not one. I am not clear as to whether the change is needed, because the member states of the European Union are already members of the Council of Europe and the European Union already has a charter of fundamental rights, to which the treaty of Lisbon gives legal effect, covering much the same ground as the European convention on human rights. As a result, the prevailing legal position on human rights in Europe could be complicated by the two sets of conventions.

Martin Horwood: Will the hon. Gentleman give way?

Mr Clappison: I will certainly give way to the hon. Gentleman, who is an enthusiast for the convention if nothing else.

Martin Horwood: Surely the point is that the European Union institutions should not be beyond the reach of the convention. Is the hon. Gentleman not missing the opportunity to take the European Commission to the European Court?

Mr Clappison: I think it has been conceded that any citizen in the European Union who feels that their human rights have been breached can already take the European Union to the European Court of Human Rights through the activities of their member state. That can already be done, and it is not clear what the effect of the European Union joining the convention will be.

However, having said that, I deal with this issue in a pragmatic way. We are where we are; the European Union is going to join. The question for British representation and our chairmanship of the Council of Europe is how we make a success of things and smooth out some of the difficulties. I urge my right hon. Friend the Minister for Europe to pay careful attention to the points that my hon. Friend the Member for North Dorset raised about the way in which the European Union members in the Committee of Ministers will operate. There should be no question of any caucusing or any departure from the representation that normally takes place, where every member state on the Committee of Ministers sits as an individual member state. If we depart from that principle, we are in danger of creating two classes of members in the Council of Europe: those that are members of the European Union and those that are not. That would be damaging, so I hope that it does not happen.

I feel confident that my right hon. Friend and his colleagues will work hard to ensure that that does not happen, so that we obtain whatever benefits are to be obtained—at least there is one Member in the Chamber, speaking for the Liberal Democrats, who thinks there will be some benefits; I think it will be more a question of mitigating the damage—and make the best of things. My hon. Friend the Member for North Dorset is not approaching these issues as one who is a completely hardened Eurosceptic, as we know from his speech on this matter the other evening. His voice on this should be listened to, as someone who wants this to succeed and who is taking a pragmatic point of view. I hope that my right hon. Friend the Minister will pay attention to that, and work hard, as I know he does in every other field of the European Union, to make this a success.

My second point that the British chairmanship could take forward relates to the emerging democracies on the borders and in the neighbourhood of Europe. I am thinking particularly of those that have been involved in the Arab spring. The Council of Europe has built up a good record over a long period of helping to promote democracy in newly democratic states in Europe. Indeed, that is part of its history that has perhaps not been emphasised sufficiently this afternoon. It started in the dark days of the cold war, when it had a small membership. As the cold war ended, and we began to have more democratic states in Europe, the Council of Europe did a very good job of promoting and safeguarding democratic values.

Obviously, the countries on the borders of Europe in the Arab world are in a different position, but there can be a role for the Council of Europe in promoting democracy in those countries. It has already established its partnership for democracy scheme, which is now in operation in Morocco, and it has agreed to give the same status to the Palestinian Authority. This can only be a good thing, and it is in everyone's interests to promote human rights in countries that have had a political culture of dictatorship and have not been

democracies in the recent past. I would therefore urge my right hon. Friend the Minister to take forward that good work, as it will be to the profit of the Council of Europe and of this country.

My third point is a more general one, and it echoes some of the points made already this afternoon, particularly by my hon. Friend the Member for Gainsborough (Mr Leigh). May we have a tighter focus during our chairmanship on what are generally regarded as human rights? It would be quite an undertaking to try to define human rights in the time that I have available, but I would like us to focus on those things that members of the public, our constituents, would recognise as human rights. They include the right to life itself, the right to freedom of expression, the right to freedom of religion and the right to freedom of assembly. Those are generally accepted as human rights.

It has to be said that, today in Britain, human rights have rather a poor image compared with the one that they had 20 or 30 years ago. Today, if one raises the issue of human rights with the general public, one is more likely to elicit a groan than a cheer. That was not always the case, however. Certainly, in the 1960s, 1970s and—dare I say it—the 1980s, people regarded human rights in a positive way. They associated them with admirable organisations such as Amnesty International, with the dissidents in the former Soviet Union and with the people fighting apartheid in South Africa. Human rights had a positive image, but things are very different today.

In his excellent speech, my hon. Friend the Member for Gainsborough made some important points about the perception of human rights. I have to say that there is a clue as to what the turning point was. It seems to have come at about the same time as the passage of the Human Rights Act 1998. I remember this because I was in the House at the time. There were those who said that we should be careful about the effect of incorporating the convention on human rights into British law. They pointed out that our legal system was very different from other European legal systems, and that the effect of its incorporation could create considerable difficulty. They also said that it could lead to more and more judgments of a political nature masquerading as judgments on human rights. So far as the Council of Europe is concerned, if Ministers can bring the focus on human rights more tightly on to what people regard as human rights, that would be a good thing.

There is still a need for the safeguarding of human rights in Europe, and even—dare I say it—in this country. Even after the passage of the much-vaunted Human Rights Act, there have been serious violations of human rights affecting this country that were not even covered by the Act. They have, however, been the subject of very good investigations by the Council of Europe. I am thinking particularly—this took place during my time on the Council of Europe—of the very good investigation into extraordinary rendition, which was carried out by the Swiss senator, Mr Marty, and the relevant committee of the Council of Europe. At that time, the question of extraordinary rendition was not terribly fashionable. Only a few lonely voices, such as that of my hon. Friend the Member for Chichester (Mr Tyrie), raised the issue here, and he was met by a wall of silence when he did so. It was denied that there were any problems for this country with extraordinary rendition. My hon. Friend tried to shed light on it, but not much light was shed.

It has turned out to be the case—not least through the work of the Council of Europe and Senator Marty—that there were indeed matters that needed to have light shed on them at that time. I believe that apologies or acknowledgements have been made that there were problems involving extraordinary rendition, which were denied from the Dispatch Box but were in fact taking place. There certainly were issues of extraordinary rendition on British territory, and there were the "black sites" and the circuit flights used for that purpose in Europe more widely. All of that was brought to light through the work of the Council of Europe. The Council of Europe has indeed played a very good role, as torture is something that I think we would all accept as a breach of human rights. My hon. Friends who served on the relevant committees did a very good job in helping to reveal the facts.

The Council of Europe does not receive a great deal of publicity in this country, but I think it does a very good job in dialogue with other member states, including the new democracies in Europe. It does a good job also in dialogue with the states that have observer status on the Council of Europe, including the state of Israel. It has certainly worked hard with those observer countries to promote human rights through them.

The question of the cost of the Council of Europe was raised by the hon. Member for Bassetlaw (John Mann). I think we all need to be vigilant about the costs of these international assemblies, but as has been said, the Council of Europe has not had its expenditure increased, so it has had a real-terms reduction over several years. We should all look carefully at this.

Perhaps a better place to start in the search for cost reductions in our representation in international organisations would be with the European Parliament, which has—today, as it happens—submitted a request for a 5.2% increase in the European budget, coming on top of a claim for an increase of 6% last year, which resulted in an actual increase of 2.9%. I hope that our Ministers will continue to work as hard as they have—it is very much to the credit of my right hon. and hon. Friends that they were at the forefront of the effort—to keep the European budget down. They fought hard, but of course they have to work with the other member states and the other institutions of the EU. There was certainly no lack of effort. In light of the comments from the hon. Member for Bassetlaw, I hope that my right hon. and hon. Friends' work to control these budgets will get support from all parties. I hope we will not hear something said from either side of the Dispatch Box that is not then followed up in the activities of the MEPs of the parties in question.

I wish the Minister for Europe well in his role. I know he is very busy, with many other matters to attend to. I hope that Britain makes a success, as I am sure it will, of its chairmanship of the Council of Europe. There will be some big issues to confront. I am sure that my right hon. and hon. Friends will rise to those issues and that we will showcase our own very good record in these matters, while also giving impetus on the important challenges that lie ahead—not just in Europe, but in the countries near to Europe—in promoting and safeguarding human rights at this very sensitive time.

5.34 pm

Mr Lidington: With the leave of the House, Mr Speaker.

[Mr Lidington]

First, let me thank every Member who has taken part in what has been a thoughtful and wide-ranging discussion of issues within the remit of the Council of Europe.

The speech of my hon. Friend the Member for Folkestone and Hythe (Damian Collins), in which he dwelt on how the Council of Europe addresses questions of sport and seeks to root out corruption in sport, served to remind us of the breadth of the remit of the Council and its various committees.

My hon. Friend the Member for Cheltenham (Martin Horwood), who referred to Russia and other countries whose human rights records have been subject to a great deal of criticism, reminded us that, although we who live in countries with long and well-established national traditions of human rights sometimes find it irksome when judgments are made against us, the principles that are incorporated in the convention, and subject to judgments by an independent court, still matter hugely to citizens of countries that do not have established, centuries-old traditions such as those that we are fortunate enough to enjoy.

My hon. Friend the Member for Hertsmere (Mr Clappison) rightly drew attention to the way in which the Council of Europe is already contributing to the development of democratic traditions and the growth of the rule of law in the fledgling democracies of north Africa. We strongly support that work, and hope that it will continue. When he pointed out that in this country, until fairly recently, human rights were regarded universally as something that should be welcomed and supported, I was reminded of the fact that the European convention on human rights was, and is, based on noble ideas. At the end of last month, I met in Warsaw members of the opposition parties from Belarus, one of the few countries in Europe that are not party to the convention. That brought home to me the importance of our not taking for granted the liberties and rights that we and our citizens enjoy. My hon. Friend's comments about extraordinary rendition were a salutary reminder that, however strong our traditions of human rights in much of Europe, we cannot afford to be complacent about them.

As has emerged during the debate, there is a range of views about how human rights are best protected, and about the respective roles of national authorities and the European Court of Human Rights. That is, of course, one of the issues that we intend to address during our chairmanship. The principle that we will advance is that national authorities of member states—their Governments, legislatures and courts—have the primary responsibility to guarantee and protect human rights at a national level. The role of the European Court of Human Rights is subsidiary in achieving those objectives.

During our chairmanship, we will work with all the member states of the Council of Europe to see how that agreed guiding principle, which was built into the Izmir declaration earlier this year, should work and can be strengthened. However, it is important to note that the corollary of the principle is proper implementation of the convention by national authorities. Of course the United Kingdom should still be subject to judgments of the Strasbourg court, but the court should not normally need to intervene in cases that have already been properly considered by national courts applying the convention.

I am under no illusion about the fact that agreeing on the necessary reforms will not be easy. Consensus among all 47 member states is required. I am, however, struck by the degree of consensus that already exists. Virtually everyone agrees that the current situation is unsustainable and undermines the court's authority and effectiveness. However, we have already made progress. In April this year, all 47 countries called for the court to exercise restraint when interfering in national decisions on the deportation of asylum seekers and others who have exhausted fair and effective domestic court procedures. Since then, we have talked to many member states and to key individuals in the Council of Europe. We know that there is an appetite for further reforms. We will work energetically to gain agreement on a reform package, and will give it the highest priority during our chairmanship. I shall respond to as many points raised as possible. I apologise to any colleagues whose contributions I do not have time to address, and I undertake to write to them.

My hon. Friend the Member for North Dorset (Mr Walter) asked several questions. On the budget of the EU Fundamental Rights Agency, the UK has long-stressed the importance of the EU not duplicating the work of the COE, which we believe is, and should remain, the prime European focus for work on human rights. While the FRA of the European Union does some interesting research, the COE does far more valuable work, and does so with fewer resources.

My hon. Friend also questioned the figures I gave on the backlog of cases. I have had the latest figures checked and there are approximately 155,000 cases in the backlog. That figure has dropped slightly in recent times, from about 160,000.

My hon. Friend focused on the accession of the EU to the COE, and my hon. Friend the Member for Hertsmere also mentioned that. This is a complex matter, and negotiations are still ongoing. I undertake to write to my hon. Friend the Member for North Dorset, giving further details on this, but for now I shall briefly explain where we are at present. As the House knows, EU accession to the COE was one element of the treaty of Lisbon, which was ratified by all 27 member states in 2009. There is considerable fear that the interaction of EU accession in its own right to the COE with the duty of sincere co-operation, which applies to all member states of the EU, could lead to the creation of an EU caucus within the structures of the COE. The British Government's position is that while we accept what is written in the Lisbon treaty—that the EU should accede to the COE—and while we can see the advantages of placing the institutions of the EU clearly within the remit of the European Court of Human Rights, we will only agree to the detailed instrument of accession when we are completely satisfied about the detail not only of the drafting of the instrument of accession itself, but, importantly, of the drafting of the EU's own set of rules on how its membership of the COE would be made operational and how, in particular, that would interact with the duty of sincere co-operation.

Mr Clappison: I welcome my right hon. Friend's approach to this matter. Can he confirm that, in his discussions at the European level, we will have a right of veto? In other words, will this be subject to unanimity, so we can insist on the very important points he has just made?

Mr Lidington: My hon. Friend is right: there has to be unanimity within the EU before accession can take place. Further, there must also be an important role for our Parliament. Under the European Union Act 2011, once agreement is reached on the detail of EU accession, the Government would be required to place that decision before each House of Parliament, and there would have to be a debate and a vote in this place and in the House of Lords before the UK could ratify EU accession to the COE. So not only the British Government but Parliament have to agree before that can happen.

The hon. Member for Ayr, Carrick and Cumnock (Sandra Osborne) asked, first, whether British Ministers would report to the Parliamentary Assembly during the six months of our chairmanship. The answer is yes. I have agreed to attend the session in Edinburgh in November and those in Strasbourg in February and April next year to report on the progress made under our chairmanship.

The hon. Lady also asked for examples of cases in which the Court had substituted its judgment for that of national courts. An issue that came up in the Interlaken declaration on the removal of people from a country when their case had been properly considered by the national courts is key here, as all 47 countries agreed that the Court was looking in too much detail at matters that had been quite properly considered by national authorities. In recent judgments against not only us but Sweden, the Court has checked findings of fact made by national courts in cases about removing people from the country. For example, it has insisted on considering the applicant's credibility or family situation, but those are not matters that should be considered at the European level.

My right hon. and learned Friend the Justice Secretary went to Izmir, and the declaration adopted at that conference in April called for a stricter approach to interim measures under rule 39, which, as the hon. Lady knows, is often used to halt deportations, with the Court intervening only exceptionally if cases have been considered by fair and effective national procedures. I hope that the marker put down by all 47 countries at Izmir also gives some comfort to my hon. Friends the Members for Northampton South (Mr Binley) and for Gainsborough (Mr Leigh) and others who have expressed particular concern about the impact of Court judgments on immigration policy.

My hon. Friends the Members for Northampton South and for Portsmouth South (Mr Hancock) asked about the appointment of judges and whether the Interlaken process would diminish the democratic element regarding the election of judges to the Strasbourg court. The key part of the process that requires reform is the national procedures by which each state selects the list of three candidates whom it proposes to the Parliamentary Assembly. If we get this right, concerns about the quality of judges should fall away. We have welcomed the establishment of a panel of the Council of Ministers to ensure that all states put forward three well-qualified candidates for those posts and it has already taken France to task on this very point. We are driving forward work on a recommendation that would lay down standards for national procedures in all 47 states, and I am pleased to report that according to the Parliamentary Assembly itself the United Kingdom is a beacon of good practice in this regard.

My hon. Friends the Members for Esher and Walton (Mr Raab) and for Gainsborough asked about the recommendation by the Bill of Rights commission that the Strasbourg Court should consider only the most important cases. Our position as a Government on this is that the Court should focus on areas where the convention is not being properly applied or where there is a genuine need at the European level for authoritative guidance on its interpretation. Where member states are applying the convention effectively, the Court should intervene less.

My hon. Friend the Member for Gainsborough also raised a number of concerns about immigration. He will understand if I do not comment on individual cases, especially on the basis of Mr Woolas's memoirs. My hon. Friend said that his arguments were not so much about the principles embodied in the convention—indeed, he spoke up in favour of the convention—but about the means by which it is implemented and applied in this country. I take his comments in that spirit. I remind him again of the work of the independent commission and encourage him to make representations to Sir Leigh Lewis and his colleagues. I would also recommend, if he has not done so already, that he have a look at the very thought-provoking speech made by my right hon. and learned Friend the Attorney-General at Lincoln's Inn on Monday, in which, among other things, he discussed the relationship of the United Kingdom Supreme Court to the European Court of Human Rights and indicated how his thinking was developing on that matter.

My hon. Friend the Member for Witham (Priti Patel) made several criticisms—more, I think, of the implementation of the convention in this country than of the convention per se. I took her points seriously. When she and other hon. Friends make those criticisms, they are speaking on behalf of large numbers of constituents who have expressed concerns. But I would caution my hon. Friend and the House about one of the statistics that was deployed—the claim that the Court finds a violation in 87% of all cases and in 61% of cases against the United Kingdom. These proportions are only of the cases where there is a judgment. We must remember that 97% of cases against the UK are thrown out without even having their merits considered, because they are ruled inadmissible. If we look at the raw figures for 2010 and 2011 so far, the Court has decided 1,713 cases that were brought against the United Kingdom, but only 33 of those 1,713 were decided by a judgment; the rest were simply ruled inadmissible by the Court or struck out completely. Given that only 33 went to a judgment, it is not wholly surprising that a relatively high proportion of those 33 cases were decently arguable and led to the finding of a violation.

My hon. Friend also spoke about how one set of rights was seen to be overruled by another set. I know that comes up frequently at public events. As the House knows, and members of the Parliamentary Assembly of the Council of Europe know all too well, the convention expresses a number of different human rights and it is a clear principle that where those rights conflict there is a duty on the countries that are party to the convention to balance those rights in a way that is just and proportionate in the circumstances of a particular case. There is a legitimate debate about where the right to take a final decision in any case should lie—with Strasbourg,

[Mr Lidington]

with domestic courts, with legislatures or with the Executive in a particular country. Then there is a further argument about whether, in any individual circumstances, whichever authority it is has achieved the right balance in finding a judgment that is right, just and proportionate. We will never get away completely from that type of argument, any more than we do when we read reports of judgments in domestic civil and criminal cases.

The hon. Member for Bassetlaw (John Mann) asked whether I would support Finnish and Spanish Ministers' work on local government reform. I can guarantee that the Government will work towards a more effective and efficient role for the Council of Europe in supporting local and regional democracy. We want to see the Council's work in this field streamlined and more carefully targeted. We are looking forward to Mr Chavez's report and we will ensure that its recommendations are given serious consideration.

My hon. Friend the Member for North Thanet (Mr Gale) raised constituency cases as illustrations of a general complaint that countries party to the convention allow people to be detained for far too long without charge or trial. He fights fiercely on behalf of his constituents whom he believes have been treated unjustly. He knows from discussions that he and I have had that the individuals concerned can make an application to Strasbourg regarding an alleged violation of articles 5 and 6 by their detention without trial. The problem is that the text of the convention does not define what a reasonable period of such detention is. I am sure that my hon. Friend will continue to campaign vigorously on this matter.

My hon. Friend also asked about a convention on transfrontier broadcasting. My understanding is that the European Union has exclusive competence in this area, so there would be problems with an EU member state signing a Council of Europe convention on the matter. On that basis, the Committee of Ministers has agreed to discontinue work on that convention, pending further consultation. However, I will consider my hon. Friend's point further, consult colleagues in other Departments that are more directly responsible for broadcasting policy and then write to him on the matter.

The hon. Member for Linlithgow and Falkirk—

Michael Connarty: East Falkirk.

Mr Lidington: I do not wish to accuse him of having further territorial ambitions.

The hon. Member for Linlithgow and East Falkirk (Michael Connarty) asked about two other conventions. On the European framework convention on youth rights, the Government still take the view that we do not recognise the need for such a convention as all the matters described in the draft recommendation are already covered by the UN convention on the rights of the child, which actually goes further than the proposed Council of Europe convention. On the convention on the protection of children against sexual exploitation and sexual abuse, we agree completely. That is an appalling crime and a form of child sexual abuse. Tackling it is an absolute priority for the Government. The convention sets standards to ensure that countries criminalise sexual exploitation and the abuse of children and adopt similar standards of investigation and prosecution of these crimes. Officials across a number of Departments are currently considering in detail the steps that would be required to ratify the convention. I am sure that a report will be made to the House as soon as decisions have been taken.

The hon. Member for Bassetlaw asked about next week's cyber-space conference in London. I have been unable to check the guest list, but the conference will encompass the issue of cyber-crime and a lot more, too. It will deal with economic growth, the social benefits of using cyber-space, safe and reliable access to it, and international security.

My hon. Friend the Member for Northampton South asked about the European Court's backlog. We certainly aim to ensure that a time scale is set for the implementation of any measures agreed during our chairmanship, including clearing inadmissible and repetitive cases from the backlog. We will also learn from the experience of previous attempts to reform the Strasbourg Court. I completely take the point that we must not be timid in the measures we take. We will ensure that the long-term context is considered when agreeing short and medium-term measures. I very much hope that he will be able to see the fruits of the work that he supported today.

My hon. Friend the Member for Monmouth (David T. C. Davies) raised a number of issues, most of which related to the implementation of the convention in this country. Like him, I have had some cases of forced marriage in my constituency surgery, and I think that the basic principle is less about the convention or the Human Rights Act, and more about the fact that it is a principle of any British court or immigration tribunal that evidence given to a judge by one party must be shared with the other party. Like him, I have had the difficult situation in constituency cases where the person who says that she is the victim is afraid to speak out in public, but the immigration judge cannot be asked to take account of evidence in secret without the other side having the chance to respond to it and to rebut it.

The Council of Europe has been enormously successful in promoting common standards and values among its membership, not least as a result of the convention system, which the United Kingdom has had a hand in creating. It matters a great deal to the Government that human rights, democracy and the rule of law flourish in all member states of the Council of Europe. In this light, we see our chairmanship as a genuine opportunity to strengthen further a rules-based international system and to further British interests by strengthening the global rule of law and championing human rights.

Question put and agreed to.

Resolved,

That this House has considered the matter of the UK's Chairmanship of the Council of Europe.

BAE Systems (Lancashire)

Motion made, and Question proposed, That this House do now adjourn.—*(Angela Watkinson.)*

6 pm

Mark Hendrick (Preston) (Lab/Co-op): BAE Systems recently announced 1,423 job losses in Lancashire, including 822 at the Warton site in the constituency of the hon. Member for Fylde (Mark Menzies), 565 at the Samlesbury site in your Chorley constituency, Mr Deputy Speaker, and a further 136 elsewhere in Lancashire. Many of the highly skilled workers who will find themselves out of work live in Preston and the surrounding area of central Lancashire.

The chief executive of Preston city council, Lorraine Norris, has written to the Secretary of State for Business, Innovation and Skills, the right hon. Friend of the Minister of State, Department for Business, Innovation and Skills, the hon. Member for Hertford and Stortford (Mr Prisk), who is here to reply to this debate, and in a fairly detailed letter that makes its points quite strongly, Ms Norris, with the support the Labour administration in Preston, says:

"Lancashire provides the greatest number of direct and indirect aerospace jobs in the country and while individuals affected by BAE redundancies may be able to find work elsewhere by moving to other parts of the country, their skills will be lost to the local economy and the Lancashire economy weakened. Because of their long lead in time, skilled jobs lost in this way cannot easily be replaced when the country's economic fortunes improve."

She goes on to say:

"Preston has been successful in moving away from an economy dominated by low-value manufacturing linked to the textile industry"—

like Yorkshire—

"and broadening its economic base. We have been able to retain and expand high value manufacturing jobs linked to advanced engineering, with strengths in both the aerospace and nuclear sectors. With our partners we have been working hard to improve links between industry and the Higher Education sector—particularly with the Universities of Manchester and Central Lancashire... As a result in the decade up to 2008 we have been able to demonstrate the third highest increase in private sector jobs in the country."

The Government talk about rebalancing the economy. Nobody and no area has done more to rebalance it than Preston and central Lancashire, given that many civil service and public service jobs were located there, and that of course it has a large private sector.

Unemployment is at a 17-year high. In Preston it stands at 5.2%, compared with 3.9% nationally, and almost 5,000 people are seeking employment, which is the highest level since jobseeker's allowance was introduced. BAE Systems employs about 40,000 people in the UK, down from 42,000 in 2009. Many of those jobs are based in the north-west, and given the work's technical nature the majority of workers are highly skilled.

Let me give the Minister some facts and figures. In Preston and Fylde, one in four residents working in manufacturing works at BAE Systems, principally at the Warton and Samlesbury sites. Between 2008 and 2010, Preston lost 4,800, or 5.1%, employee jobs, against a fall of 2.4% in the 12 districts of Lancashire and a drop of 3.4% nationally. That is a tragedy. The success of the company is therefore vital to the regional and national economies. BAE makes a direct contribution to them, and many other jobs in Lancashire are dependent on BAE. It has been independently estimated that each aerospace job creates four or five related jobs in the supply chain. There is therefore a multiplier effect on unemployment and the economic picture is far worse than the headline figure suggests.

The announcement of more than 1,400 job losses is a devastating blow, first and foremost for the workers and their families, but also for the local economy and Britain's wider manufacturing and defence industries. As cuts are made and contracts go overseas, a highly skilled work force are being lost. I wrote to the Secretary of State for Business, Innovation and Skills some weeks ago to ask what steps the Government are taking to limit the impact of the job losses, but I am sorry to say that, despite the urgency, I have yet to receive a reply.

Graham Jones (Hyndburn) (Lab): I asked the Department for Business, Innovation and Skills about an employment impact assessment, but have yet to receive a credible reply. It seems that no such an assessment has been made. Does my hon. Friend agree that it appears that employment is considered to be a price worth paying? EADS and the Italian workshare contractors are making no one unemployed—that was reported in the *Financial Times* on 3 October—but the Government seem to think that it does not matter if 3,000 people are made unemployed.

Mark Hendrick: I agree. Although the enterprise zones are a welcome addition to Lancashire, they are a sticking plaster to try to cover the running sore that the job losses have become in Lancashire. The announcement of 1,400 job losses is a devastating blow.

A key area of development at the Warton and Samlesbury sites is the manufacture of the Eurofighter Typhoon jet. It recently flew its first major combat mission, serving in the skies over Libya to help the national transitional council in its war against Gaddafi, which is testament to the need for the aircraft. The production work is taking place in three tranches. Tranches 1 and 2, involving the production of 384 Typhoons, are now complete, and include 144 jets ordered by the previous Labour Government, with the remainder going to our European partners. The Labour Government also signed up to tranche 3A, which is the subject of the current defence cuts. The coalition Government are now planning to halve the UK's tranche 3 order. BAE will cut its production from 61 to 36 jets annually, resulting in thousands of job losses. How can the Government justify massive cuts to our defence industry when the economy is edging towards recession? These cuts go too far, too fast and are resulting in the slowdown in production of the Typhoon aircraft.

John Woodcock (Barrow and Furness) (Lab/Co-op): I congratulate my hon. Friend on securing this debate. Is he aware that the disappointment and support for those workers is shared throughout the north-west, not least because of the synergies in the defence industry in that region? Is he also aware that Barrow shipyard is an example of how the submarine supply chain could be damaged as companies that supply the Typhoons lose orders and their workers are put under threat?

Mark Hendrick: I am well aware of the synergies, the skills that are employed in the submarine and shipbuilding industries and the implications for aircraft carriers. They are connected, and everyone who works in the defence industry throughout the country is worried.

If the Government made more finance available, BAE could ramp down production of Typhoons more gradually, instead of the step-down transition. That would enable the company to mitigate the impact of job losses by steadily reducing its work force as workers now in their early 50s approach retirement. That would coincide with the conclusion of tranche 3A production in 2015. The unions at BAE are in favour of that approach—a gradual ramping down while meeting the country's defence needs, instead of a drop from 61 aircraft to 36 a year from January next year—but that is not happening. As in so many other areas, the Government's strategic defence review was rushed and ill thought through. Labour Members recognise that some savings must be made, but they should be part of a carefully constructed industrial strategy, not a rushed and ideologically driven SDSR.

The decision to cut production has wreaked havoc with BAE's medium-term and long-term plans and produced a great deal of uncertainty. A highly skilled work force will be lost forever. Thousands of years of accumulated experience and skills will be thrown aside, and although orders may arrive in future from India or, possibly, Japan, the loss of these workers will be tragic. Many will go to work in other parts of the country and take up new positions; many will take early retirement and be lost to the industry for ever.

Simply put, this Conservative-led Government do not understand the consequences that their policies have on workers, on businesses or on the manufacturing economy as a whole. Typhoon could be made more competitive and attractive for export by improvements to its radar capabilities. Will the Government fund the development of the E-Scan radar system? If so, will the Minister update the House on whether funding has been allocated for that development and whether the finance has been sent to SELEX or to BAE Systems? I invite the Minister to intervene to deal with that point.

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): As the hon. Gentleman knows, the assessment is under way between the Government and industry, and it would be a mistake to pre-judge its outcome. We are funding and engaged in that assessment programme and we are hopeful that it will be advantageous. It is important to bear in mind that this will be at the forefront of European technology; it is an important long-term investment.

Mark Hendrick: I am not sure whether that was a yes or a no on whether the funding was made available. When trade unions met the Under-Secretary of State for Defence, the hon. Member for Aldershot (Mr Howarth), at the Conservative party conference—the Minister of State, Department for Business, Innovation and Skills, the hon. Member for Hertford and Stortford, was also present at the meeting, but arrived late—they were assured that the money had been allocated for E-Scan radar, but Ian King from BAE Systems has said that no money has been allocated or transferred to the company, and SELEX says the same, despite the fact that the Defence Minister gave assurances that that money was going to the E-Scan programme.

It is imperative that the Government provide a coherent plan of action to help Britain's defence industry and the wider manufacturing sector as a whole. The longer BAE is able to keep workers, the better prepared it will be to meet demand should other countries order Typhoon jets. Will the Minister tell the House what steps his Government are taking, not only at ministerial level but through UK Trade & Investment, to secure defence contracts from India and Japan, both of which have been linked to the Typhoon project?

In his first major speech after the general election, the Prime Minister pledged to make the next decade

"the most entrepreneurial and dynamic in our history"

and said that he wanted to

"give manufacturing another chance in this country."

Speaking of his desire to rebalance the economy, he said that Britain had become

"heavily reliant on just a few industries and in just a few regions—particularly London and the South East."

The actions of his Government in the past year have demonstrated that those were empty words.

BAE is a world-leading manufacturer that contributed £4.9 billion to UK exports in 2009—about 2.1% of Britain's total goods. Half its UK employees are based in the north, and it is being forced to cut jobs. The manufacturing industry base of this country is in crisis and the Government have no clear plan of action—indeed, by squeezing the life out of the economy, they are significantly contributing to the problem.

The Prime Minister and the Chancellor claimed at the Budget to have a plan for growth. Is it not the case that the cuts will not help growth in this country, but will achieve the opposite by reducing production and GDP to make the economy worse off, not better? Time and again, this Conservative Government have shown a complete lack of support for the manufacturing sector in this country. We saw it with Bombardier, we saw it with Sheffield Forgemasters, and now we are seeing it with BAE Systems. I promise you, Mr Deputy Speaker, that Britain will not recover from the global economic crisis without a strong manufacturing base.

We know that the cuts are going too far and too fast. We know that there are problems in the eurozone that Governments are grappling with. Those problems will make us much more likely to go into recession. The measures that the Government are taking in cutting the defence budget are also causing problems in keeping the economy moving. When are the Government going to realise that and start providing the support that the manufacturing industry in this country is crying out for?

6.15 pm

Mark Menzies (Fylde) (Con): I thank the hon. Member for Preston (Mark Hendrick) for being generous in allowing me to take some time in an important debate for all our constituencies. Your constituency, Mr Deputy Speaker, and mine share a plant. I have the proud home of BAE Systems in Warton and you have Samlesbury. We do not need to think too long and hard to know how important those jobs and those plants are. We also know how devastating such job losses are for local communities.

I want to use this debate to remind the House of what the Government are doing and to focus on what is still to be done. The Government are supporting Typhoon exports in a way that no Government have in recent history. There are some positive stories and some potential contracts that could come home.

Graham Jones: I ask all Members, and particularly the hon. Member for Fylde (Mark Menzies), whether there will be a displacement of the RAF orders into the export orders. That is the big question.

Mark Menzies: The hon. Gentleman raises an important point. Some of the orders that were originally planned for the RAF could well be displaced into other orders. My main concern is ensuring that aircraft are being built. Who the end customer is is a secondary matter. I want aircraft to be built in my constituency, and I want its world-class work force to be employed.

We saw the world-class Typhoon aircraft coming of age in Libya. I would like to ensure that systems such as the E-Scan radar are fully available for export orders should the customer require them. On the Typhoon, I know that the Government have given a commitment to tranche 3 upgrades. It is important that those come through in a timely manner so that BAE Systems can manage the work flow. On the unmanned aerial combat vehicle programme, the Government have signed a memorandum of understanding with France. That is hugely important, but we must get it moving quickly so that BAE Systems can plan the workload and allocate people across the programmes.

Let us not forget that BAE Systems is an incredibly profitable private global defence company. It has made more than £1 billion of profit this year. Therefore, this issue is not just about what the Government are doing; it is about ensuring that BAE Systems is doing everything necessary. I would like to sound one note of caution. When BAE Systems is entering into work-share agreements for global deals, it must ensure that it always acts in the interest of the work force, not just in the interests of the shareholders. We must ensure that work that could be done in the UK is done in the UK, as opposed to being exported to other countries. I want BAE Systems to stop and think about that, because it has a commitment to Lancashire and to UK plc.

Finally, I welcome the enterprise zones that have been identified for Warton and Samlesbury. They can be much more than a sticking plaster. In a meeting that I had with the Prime Minister at the Conservative party conference, we got the commitment that UKTI would be fully engaged to ensure that those are not just glorified business parks, but that they attract the very best the world can offer. Yes, there is a tough economic climate, but we have to be ambitious for Lancashire because its people deserve no less. We have a world-class work force who have the full range of skills. We have to go out and sell those sites and that work force—I call on the Minister to help us in this—so that when people invest in the months and years to come, they offer jobs and a future that we can be proud of.

6.19 pm

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): I congratulate the hon. Member for Preston (Mark Hendrick) on securing this debate on an important issue that affects his constituents and those of other Members who are in their places, both in Lancashire and across the border at Brough. Of course, it also affects your constituency, Mr Deputy Speaker.

Alan Johnson (Kingston upon Hull West and Hessle) (Lab): Will the Minister give way?

Mr Prisk: The geography of the debate does not extend beyond Lancashire, but I will give way briefly.

Alan Johnson: I appreciate that. The Minister will be aware that some of the work going to Samlesbury and Warton is going from the East Riding. Is he also aware that the view of workers at Warton and Samlesbury is that they do not have the capability or capacity to deal with the Hawk? There is suspicion that the Hawk will eventually be built abroad. He will know that I, the right hon. Member for Haltemprice and Howden (Mr Davis) and all other local MPs are determined to stop the closure of a plant that has manufactured aerospace equipment for 100 years. Will he agree to consider imaginative proposals, which may include the civil aerospace industry, to keep that manufacturing plant open?

Mr Prisk: I do not want to get ahead of myself on the broader issues, and I will come in a moment to the fact that we are in a 90-day consultation process and the company has to demonstrate a business case. The right hon. Gentleman and my right hon. Friend the Member for Haltemprice and Howden (Mr Davis) have made it very clear—rightly so, in my view—that the company has to make that case. I have said that to the work force, and I say it to Members throughout the House. Members, particularly those with the experience that the right hon. Gentleman has, are well placed to challenge that business case. The Government need to ensure that we strike a balance so that we are ready to act if, at the end of the 90 days, it turns out that we have the problems that he has described. I will not get drawn into the pros and cons now, because I will want to see the business case, as will the Secretary of State.

Before I was interrupted on that important point, I was about to put on record the fact that I want to extend my sympathy to all those affected by the announcement. The Government recognise, and I recognise, the human cost involved in such cuts, and how they affect individuals, families and communities. I fully recognise that BAE Systems is, as the hon. Member for Preston pointed out, one of the largest employers in Lancashire. I am acutely aware of the depth of the local impact that will affect many people.

I wish to address a number of issues that have been raised. First, the hon. Gentleman referred in his opening remarks to a letter that he had written to the Secretary of State. I have asked my officials to check, and we have no record of receiving such a letter on BAE. We have a record of a letter about supermarkets dated 4 October, but I assume that is not the one. Perhaps at the end of the debate he could give me a copy of the letter so that I can ensure that it goes to the Secretary of State.

There was quite a lot of party political discussion from the hon. Gentleman, implying that the Government have no interest in the manufacturing industry. I strongly refute that. He did not mention the changes to the tax law to ensure capital allowances, the improved investment

[Mr Prisk]

in the manufacturing advisory service or the changes that we are making through the advanced manufacturing technology and innovation centre, alongside the other work we are doing on aerospace. I hope that we can get the party political banter out of the way and focus on the issue that affects his constituents, but I think he will understand that I am not prepared to ignore remarks suggesting that the Government do not take manufacturing seriously. We do, and I do.

I now turn to the causes of the problem, and some of the things that the Government intend to do and are already acting on. The company has advised us that the problem was caused principally by changes in key international programmes and the need to remain globally competitive at a time when defence spending in many nations is under huge pressure. We are all well aware that public finances are tight, and defence budgets are not immune. I think even the Opposition Front Benchers understand that. Although a decision of this nature is a commercial issue for the company, it is therefore absolutely right that the Government should do all they can to help those affected.

I have talked in the past few weeks to Members—including you, Mr Deputy Speaker, in your role representing your constituents—and they have all understood those concerns. I also had the opportunity to meet workers while I was in Manchester. I re-emphasise that I understand that during the 90-day consultation process, Members and workers will wish to challenge the business case, and rightly so. We will see what the outcome of that is. However, we must ensure that the Government have a plan in place if those redundancies are made, and I should like to set out the practical help available to hon. Members' constituents.

The first step is to ensure that the Jobcentre Plus rapid response service is available. It has already offered access to Next Step one-to-one careers advice, which complements the support available from the company. I know from dealing with previous cases how valuable that practical help can be to individuals.

Secondly, and more broadly—this important question was raised by the hon. Member for Preston and my hon. Friend the Member for Fylde (Mark Menzies)—how do we ensure that our country does not lose those skills for good? That consideration is why, back in January, the Secretary of State and I established the talent retention team. The intention is that Government and industry ensure that we do not lose those key specialisms, whether in BAE or elsewhere. The team matches the skilled employees who are facing redundancy to vacancies in other companies. I can tell the House that so far, 200 UK companies have registered. Those who have signed up and are recruiting include Rolls-Royce, Siemens, Nissan and Airbus. I understand that several thousand jobs will be listed in the next month.

Although I appreciate that taking one of those jobs is not a straightforward decision—it might involve commuting or relocation—that system is important, because it will help us to avoid losing those key design, engineering and manufacturing jobs, which are important whether they are in Kingston upon Hull West and Hessle or in Lancashire, which is the subject of this debate.

The third question, which is just as important, is how we help local economies. On this subject, the Chancellor listened carefully, in particular to my hon. Friend the Member for Fylde, who argued that there needed to be a kick-start for the locality in addition to help for individuals. That is why last month the Government responded positively by inviting both the Lancashire and the Humber local enterprise partnerships to submit proposals for two new enterprise zones. They are important, because they provide real advantages for areas such as Warton and Salmesbury—and Brough, if I may stretch the geography of Lancashire temporarily.

Graham Jones: Will the Minister give way?

Mr Prisk: I will get to E-Scan in a moment.

The business rate discount, the retention of the money for a 25-year period, the radical simplification of the planning system and the support to ensure superfast broadband are crucial to enterprise zones, but there are a couple of aspects of LEPs that I often feel are lost in some of the coverage—the use of tax increment finance to ensure the long-term viability of the zone, and the UKTI support for inward investment and trade opportunities. Given the civil and military nature of aerospace, we are looking to talk to both the Lancashire LEP and the Humber and Hull LEP about those two enhancement aspects, to see whether they can be a core part of the offer.

One hon. Member asked a question on Typhoon. The four Typhoon partner nations have decided to extend the programme, so that both domestic and export orders can be dealt with in a way that means we can sustain capacity. That means that the programme's production has slowed; it has not been stopped. Clearly, we must agree that with all partner nations, because it is a partnership project.

On E-Scan radar, the point is that the Ministry of Defence and the industry are working on an assessment programme. Electronically scanned radar is on-the-edge technology. If we get this right, it will be Europe's first and only second generation scanned radar. Therefore, we need to think about how it works. The reason why we are not committing on long-term development is that we need to see whether the assessment works in the first place. In my book, that is a sensible pattern to follow. Clearly, we would not have taken that first step had we not seen the opportunity. That is an important leap in capability for the Typhoon, and it could well mean that although there will be tighter pressure on the domestic Typhoon programme, there will be opportunities for better exports in the long term.

Let me now bring my remarks to a close. I want to assure Members and their constituents that the Government are determined to take all the necessary action both to support individuals and to ensure that the UK's defence and manufacturing base can prosper over the long term.

Question put and agreed to.

6.29 pm

House adjourned.

House of Commons

Monday 31 October 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

COMMUNITIES AND LOCAL GOVERNMENT

The Secretary of State was asked—

Fire and Rescue Services

1. **Mr David Anderson** (Blaydon) (Lab): What estimate he has made of the average change in funding for fire and rescue services between 2011 and 2013. [77094]

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): Driving down the nation's deficit remains the Government's principal priority, but we have protected fire and rescue services in the spending review by back-loading their reductions to 2013-14 and 2014-15. As a consequence, the revenue spending power of single-purpose fire and rescue authorities will be reduced by only 2.2% in 2011-12 and by 0.5% in 2012-13.

Mr Anderson: The local chief fire officer in Tyne and Wear advises me that although the average loss across the country is 6.5%, in the metropolitan areas it is 12.9%. He believes that if the cuts go ahead they will lead to a weakening of national and local resilience, firefighters made compulsorily redundant, a further reduction in the number of rescuers, a significant fall in the number of readily available appliances and fire station closures. What will the Minister do to ensure that that prophesy does not come true?

Robert Neill: All local fire and rescue authorities must perform their statutory duties under the Fire and Rescue Services Act 2004 and act in a way that is consistent with their integrated risk management plans. The Government adjusted the fire formula following consultation with local fire and rescue authorities and increased the weighting given to the needs element and risk factors in urban areas.

Michael Fallon (Sevenoaks) (Con): Will my hon. Friend confirm that at least £630 million will be wasted by the Labour Government's commitment to regional control centres and that in the south-east the taxpayer is likely to be paying £1.5 million a year in rent over the next 20 years for a control centre in Farnham that nobody needs? All that money could be better spent on the fire service today.

Robert Neill: My hon. Friend is right to point out the exceptionally strong condemnation by the National Audit Office and the Public Accounts Committee of the previous Administration's project. We have done our best to minimise the damage to the taxpayer by terminating the contract and thereby ending the haemorrhage of money. We have also reduced the maintenance costs of the remaining stations and are seeking end uses for them. We are making progress in finding an appropriate use for them, to get them off the public books as swiftly as we can.

John Healey (Wentworth and Dearne) (Lab): Fire services in Hampshire, Essex, Dorset, Devon and Somerset are receiving an increase in the Government grant over the next two years. South Yorkshire, Tyne and Wear, the west midlands, Merseyside and Greater Manchester all face cuts of more than 12%. Why?

Robert Neill: Apart from the adjustments to which I have referred, I used the same fire resources needs formula as I inherited from the right hon. Gentleman, so he should know.

Chris Williamson (Derby North) (Lab): The Minister should stop being so complacent about these terrible cuts to the fire service. He has been warned by the country's metropolitan chief fire officers that if his cuts proceed lives will be endangered and our ability to respond to acts of terrorism and other major incidents will be compromised. Will he listen to their warnings and scrap his plans for even deeper cuts to the fire and rescue service in years three and four of the budget cycle?

Robert Neill: I was about to congratulate the hon. Gentleman on retaining his post in the reshuffle; I might rethink that, because I am afraid it is the same old story and he is plain wrong. The Government have made it clear that we are protecting the fire service as a front-line service. We have back-loaded services and indicated to county councils with fire authorities that they should maintain the same profile. We have also made available £70 million of capital grant to improve their future adjustments and made it clear that we will protect all front-line operations.

Surplus Public Land/Offices

2. **Mr David Amess** (Southend West) (Con): What steps his Department is taking to dispose of surplus public sector land and offices. [77095]

The Minister for Housing and Local Government (Grant Shapps): We are leading a cross-Government programme to release surplus public land for up to 100,000 homes.

Mr Amess: I am delighted that my right hon. Friend envisages all that surplus land being released, but will he please explain how the finances will flow to provide those houses and say something about social mobility and housing?

Grant Shapps: My hon. Friend is absolutely right: it is one thing to release brownfield land; it is another to get it built on. That is why we introduced the innovative build now, pay later regime, which will get homes on those sites quickly, with developers paying for them only when the receipts start to come in. That will do a great deal for social mobility, as will the home swap direct scheme, which was launched last week, and which I noted the Opposition criticised.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Minister will probably guess that I was against the abolition of regional development agencies. Some of us are worried about the arrangements that were made to enable staff to start social enterprises, with generous endowments from the RDA, who then go into competition with existing players in the third sector.

Grant Shapps: The hon. Gentleman need not be too concerned. We believe that the best way of getting homes built—and the most built—is proper free competition between different providers, different developers and different organisations, which would range from co-ops to registered social landlords and commercial developers. We see no problem with that, and we have gained some sense that it is working. After all, more affordable homes for rent were built in the first year of this Government than at any time since John Major was in power.

Council Tax

3. **John Robertson** (Glasgow North West) (Lab): What the monetary value was of (a) council tax relief for second homeowners and (b) discounts on council tax for empty properties in England in the latest period for which figures are available. [77096]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): The Department keeps no figures for Scotland, but for 2011-12 the estimated monetary value of council tax relief for second home owners in England is £45 million, and for discounts on council tax for long-term empty properties in England it is £70 million. The hon. Gentleman might wish to refer to the written ministerial statement on technical reforms to council tax that I have laid before the House today.

John Robertson: I thank the Minister for his response. What would he say to those who think his new policy, as in his statement, is a penalty surcharge? Does he agree that they are wrong and misguided?

Mr Pickles: I should point out to the Labour Whips that the hon. Gentleman's question was not planted to coincide with today's announcement. The Labour Government reduced the second homes discount to 10%. I would have thought that the hon. Gentleman welcomed what we are doing rather than condemn it. Perhaps he is of a mind that because the Tories are doing it, it must be wrong.

Stephen Gilbert (St Austell and Newquay) (LD): Second home and holiday home ownership in some Cornish parishes is as much as 80% of the overall housing stock. As part of the Government's localism agenda, will my right hon. Friend consider giving local authorities the power to limit the number of second and holiday homes in an area?

Mr Pickles: I think that would be rather difficult and open to abuse. This is an important step for my hon. Friend's constituents and it should enable council tax bills to be cut by an average of about £20.

Social Housing

4. **Mr Aidan Burley** (Cannock Chase) (Con): What estimate he has made of the number of social housing units occupied by people earning over £100,000 per annum. [77097]

The Minister for Housing and Local Government (Grant Shapps): We estimate that there are about 6,000 households in social housing where the person named on the tenancy agreement and their partner have a combined income over £100,000 a year—something we intend to tackle through the pay to stay scheme, whereby those on six-figure incomes who wish to stay in their properties can pay to stay there.

Mr Burley: The 2,345 people currently on the housing waiting list in Cannock Chase will be gobsmacked to learn that an estimated 6,000 people still living in council houses are paying a subsidised rent despite earning more than £100,000 a year—four times the average salary of my constituents. With so many people in need of housing languishing on waiting lists, what assurances can the Minister give me and my constituents that those people who earn more than him will be forced to pay their way like the rest of us?

Grant Shapps: My hon. Friend points out a real problem with the housing system—that it is possible to earn a six-figure salary, sit on the Labour Benches and still occupy a home built for some of the most vulnerable people in society, who deserve those homes. We will allow the pay to stay scheme to go ahead, meaning that people can stay in their homes and pay the market rent so that we can use all the money to build more affordable homes for people who really need them.

Ms Karen Buck (Westminster North) (Lab): If the Government are so keen on restricting social housing to those on low incomes, how does the Minister explain the affordable rent regime? Is it not the case that in local authorities such as my own, even at 65% of market rents, the income required—without benefit—to pay for an affordable family-sized house is £77,000 a year?

Grant Shapps: We are keen to protect people on low incomes, not on high ones, as the hon. Lady suggested. The point about the housing benefit changes is that many of her constituents, along with mine and everyone else's, will be asking how it can be fair for people in receipt of housing benefit to live in homes and streets that people on ordinary salaries cannot possibly afford to live in. That is the system that we are going to fix; when the Opposition were in government, they used to support that policy.

Mr John Leech (Manchester, Withington) (LD): Will the Minister ensure that the revenue raised by pay to stay is ring-fenced for social housing?

Grant Shapps: I can provide a little more information. We expect some tens of millions of pounds to be raised by pay to stay. Those with six-figure incomes will pay a market rent to stay in their homes, and we will use every single penny of the money to build the more affordable housing that the most vulnerable people in society deserve and need.

Julie Elliott (Sunderland Central) (Lab): Does the £100,000 to which the question refers constitute household or individual income?

Grant Shapps: It constitutes the income of a household consisting of two partners.

Council Tax

5. **Harriett Baldwin** (West Worcestershire) (Con): What the percentage change in band D council tax was in (a) England and (b) Worcestershire between 1997 and 2010. [77098]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): Council tax in England more than doubled under the previous Administration, and shire counties were hit particularly hard. Under that formula, Worcestershire saw an average rise close to 140%.

Harriett Baldwin: Will the Secretary of State take this opportunity to record his thanks to staff and councillors at Malvern Hills and Wychavon district councils, which have managed to make enough back-office savings to enable them to freeze council tax following those shocking increases?

Mr Pickles: I am happy to join my hon. Friend in thanking those two councils for prioritising their expenditure, for working together, and for protecting front-line services. After all, that is what local government should do, and it is what local government is particularly good at.

Mr Clive Betts (Sheffield South East) (Lab): The Secretary of State has earmarked funds for councils for this year and next year to encourage them to freeze council tax. Given the importance to councils of planning, is the Secretary of State thinking about what will happen in the following year? Is he likely to continue his present policy? Does he accept that if he withdraws the grant he will not have frozen council tax, but will merely have deferred two years' increases and produced the possibility of very large increases in the following year?

Mr Pickles: With great respect to the hon. Gentleman, I do not accept that for a moment. The arrangements for council tax in the current year will continue next year and the year after, throughout the spending period. On top of that, there is a one-off payment to councils to help them to reduce their expenditure. That seems eminently sensible to me. After that, the people will decide; it will not be up to me. The hon. Gentleman scoffs at referendums. The hon. Gentleman does not like talking about democracy. The hon. Gentleman seems not to think that the population are up to making such important decisions, but we do.

Local Enterprise

6. **Mark Menzies** (Fylde) (Con): What steps his Department is taking to promote local enterprise. [77099]

8. **Jane Ellison** (Battersea) (Con): What steps his Department is taking to promote local enterprise. [77101]

19. **Nicola Blackwood** (Oxford West and Abingdon) (Con): What steps his Department is taking to promote local enterprise. [77113]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): My Department has been championing a series of measures to promote local economic growth. For example, our proposals for the local retention of business rates will reward councils for working with business, and will provide new incentives to drive growth. The 22 enterprise zones will generate new businesses and jobs in a targeted way across the country, from Newcastle to Newquay.

Mark Menzies (Fylde) (Con): I thank the Secretary of State for his leadership in developing the enterprise zone at Warton. What steps is his Department taking to drive it and similar enterprise zones forward, and to create jobs for the people of Lancashire?

Mr Pickles: I am grateful for my hon. Friend's kind remarks. I do not want us to become a mutual admiration society, but although my hon. Friend was initially unsuccessful in securing enterprise zones, he continued to lobby, made a very good case for them, and managed to form a coalition of the willing in industry that Opposition Members would do well to emulate. Following the announcement on 3 October, when the Chancellor invited the Lancashire and Humber local enterprise partnerships to put together a scheme, my officials worked with the Department for Business, Innovation and Skills and Lancashire councils to produce something of which the people of Lancashire will be very proud.

Jane Ellison (Battersea) (Con): My question also concerns job creation. When I met the chief executive of my local council recently, we talked about what more could be done to support encourage local entrepreneurs. Will the Secretary of State do all he can to encourage all councils to display a "can do" rather than a "can't do" attitude when approached by budding entrepreneurs?

Mr Pickles: My hon. Friend's council has long had a reputation as a can-do council, and it is one of the best for keeping down the council tax and keeping satisfaction high among its residents. Given that quite a lot of the important developments in west London lie within her patch, we are looking to her and to the council to expedite badly needed growth.

Nicola Blackwood: Businesses in Oxford West and Abingdon tell me how important it is that they access local government procurement contracts, and about the difficulties they have in navigating some of the complicated procurement processes. The Government have taken some steps to support local businesses to access central

Government procurement processes, but how can the Secretary of State's Department help to open up local government procurement processes in the same way?

Mr Pickles: My hon. Friend makes a very important point. Indeed, we have been working very closely with the Local Government Association to try to free up procurement. Part of that, of course, has been ensuring that there is transparency so that we can see how councils are spending their money. I am particularly grateful to the LGA, with which we are trying to demystify the complexities of European procurement regulations to allow local businesses to bid.

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): The Secretary of State will surely acknowledge that in cutting two thirds of the funds available to the regions of England when the regional development agencies were abolished, the Government struck a blow at the very innovation, growth and enterprise that he has been praising this afternoon. Is it not strange and revealing that it has been announced today that Sheffield Forgemasters will be given a third of the loan that was originally sought? Is that not an admission by the Deputy Prime Minister, the Chief Secretary and the Business Secretary that they got it totally wrong last year?

Mr Pickles: The right hon. Gentleman is, of course, absolutely wrong. The regional development agencies cannot be described as a success by any stretch of the imagination. The north lost out in economic growth compared with the south under Labour, and gross value added per head as a percentage of the total UK level fell across the north from 1997 to 2009 but rose in London. The north lost out in private sector jobs created under Labour—for every private sector job generated in the north and midlands, 10 were generated in London.

Mr Jim Cunningham (Coventry South) (Lab): Why was the Coventry and Warwickshire bid for an enterprise zone turned down?

Mr Pickles: It came very close, and I hope the hon. Gentleman will work with the local councils, because it is possible to have a local development order in the area. It is certainly possible to do a deal on broadband, and once the Localism Bill is in force it will be possible to do a deal with regard to local taxation.

Helen Jones (Warrington North) (Lab): How can the Secretary of State claim to be promoting local enterprise when the Government have kicked away its support? They abolished RDAs, against the advice of local business; he has paralysed the planning system; and his proposals for business rates mean that local authorities would be better off building big retail parks than supporting manufacturing and small business. As we now know that for every two jobs lost in the public sector fewer than one is being created in the private sector, why does he not admit that this out-of-date, ideologically driven policy is not working?

Mr Pickles: I welcome the hon. Lady to her new position. I hope all her questions are as feisty as that one.

The Labour party simply has to stop clinging to the comfort blanket of the idea that it somehow left a golden economic legacy. It did not. It is impossible for Labour to defend local government and at the same time say that all it would do is put up sheds for Spudulike and Carphone Warehouse. Local authorities are responsible, and they will use the new initiative to work together and bring about growth, unlike the regional development agencies, which by and large were not a good thing.

Planning Reform

7. **Elizabeth Truss** (South West Norfolk) (Con): What recent assessment he has made of the level of protection afforded to high-value agricultural land in his proposed planning reforms. [77100]

The Minister of State, Department for Communities and Local Government (Greg Clark): The draft national planning policy framework contains strong protections to safeguard high-value agricultural land and recognises the importance of food production. We are now carefully considering the responses to the consultation.

Elizabeth Truss: Food and farming are vital to tourism and exports in Norfolk, and its produce is very high quality, as the Secretary of State found out when he visited the Norfolk food festival in Parliament earlier this month. Does the Minister agree that the planning framework should take into account the long-term value of agriculture, as once farmland is lost it is very hard to get back?

Greg Clark: My hon. Friend is absolutely right—and when I was talking to the Secretary of State earlier, he extolled the virtues of the pies available at the Norfolk food festival. We must take into account the long-term value of food security as well as the short and medium-term economic benefits of food production.

Local Government Finance

9. **Matthew Hancock** (West Suffolk) (Con): What steps he is taking to help local authorities reduce the cost of their property. [77102]

The Minister for Housing and Local Government (Grant Shapps): First, let me pay tribute to my hon. Friend for his great work in the Westminster Sustainable Business Forum. Public sector assets are worth about £385 billion, almost two thirds of which are owned by councils.

Matthew Hancock: I am grateful for the Minister's reply. Is he looking forward to sending his boss along to next week's launch of the second leg of the review of how much can be saved by reforming the way property is used by local public sector agencies and local authorities, which will highlight that this is about not just bricks and mortar but increasing productivity and spending money more wisely?

Grant Shapps: I have no doubt that my right hon. Friend the Secretary of State will enjoy that visit enormously, especially if good food is on offer. My hon. Friend is on to something here: public sector assets are worth £385 billion, and two thirds of them are council-owned. If a saving of just 20% in running costs were

made, that could save about £35 billion a year in receipts over 10 years. There is an enormous amount of money to be saved, therefore, and I commend the work that has been done.[1]

National Planning Policy Framework

10. **Kerry McCarthy** (Bristol East) (Lab): What recent representations he has received from environmental organisations on the national planning policy framework. [77103]

The Minister of State, Department for Communities and Local Government (Greg Clark): I have received several representations from environmental organisations on the draft national planning policy framework, and we are now considering our response to them.

Kerry McCarthy: That was a short, and not particularly sweet, reply. As I am sure the Minister knows, the wildlife trusts are calling for local wildlife sites and nature improvement areas to be included in the national planning framework, in order to protect wildlife against developers and to give councils more strategic guidance on improving local ecological networks. Will the Minister explain why such locations are not included in the framework?

Greg Clark: I have been having some very constructive discussions with the wildlife trusts, in which they have made precisely that point. The hon. Lady will understand that I cannot pre-empt the outcome of the consultation, but I can say that we have heard their perfectly reasonable representations and have listened very carefully.

Andrew Bridgen (North West Leicestershire) (Con): There has been considerable outcry about the presumption in favour of development in the new framework, but is it not correct that there has been such a presumption in our planning framework for the past 40 years?

Greg Clark: My hon. Friend is right, but the presumption in the draft framework is in favour of sustainable development and it is very important that development that would damage the future environment and social aspects of our towns, cities and countryside does not go ahead.

Roberta Blackman-Woods (City of Durham) (Lab): As the Minister will be aware, many environmental organisations, ranging from the Campaign to Protect Rural England to English Heritage and to the National Trust—which might be better known to the Minister as left-wing nihilists—have raised a storm of protest about the Government's planning proposals. Are their fears about the future protection of the environment likely to be allayed by the revelation that Treasury officials were much more involved in writing the national policy framework than were environmental planners?

Greg Clark: First, may I welcome the hon. Lady to the Dispatch Box? It is good to have her serving on the Opposition Front-Bench team, as she has a long-standing interest in environmental and social matters. I am happy to correct the report to which she refers, however, which I think was based on a series of written parliamentary answers. I can assure her that a wide range of officials from many Departments participated, including from my Department and the Department for Environment, Food and Rural Affairs. That report was therefore incorrect.

Affordable Rent Scheme

11. **Iain Stewart** (Milton Keynes South) (Con): How many bids to participate in the affordable rent scheme have been received to date. [77104]

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): We received offers from 197 providers for the affordable homes programme by the deadline of 3 May. On 14 July, we announced that, subject to contracts, 146 providers will deliver 80,000 new homes for affordable rent and affordable home ownership, with Government funding of just under £1.8 billion.

Iain Stewart: Nearly six months into this scheme, has my hon. Friend had an opportunity to assess what impact it might have on the provision of social housing in areas such as my constituency?

Andrew Stunell: I hope that my hon. Friend will be reassured to know that 15 of the 146 bids were for the Milton Keynes and Aylesbury Vale area. Ten of the bids were accepted, and nine have been signed up with the Homes and Communities Agency. Overall, the Government are committed to investing nearly £4.5 billion in new affordable housing, delivering 170,000 new affordable homes compared with the 150,000 originally estimated. That means we shall be increasing the supply during this Parliament rather than reducing it, as the previous Government did.

Jeremy Corbyn (Islington North) (Lab): Will the Minister tell us how much money is being provided to local authorities to develop new council homes? Why are his Government insisting that any self-funded local development be provided by increasing council rents to 80% of market value, which makes those rents totally unaffordable in many urban parts of this country?

Andrew Stunell: I want to set the hon. Gentleman straight, because the ratio of the rent packages under the affordable rent offer in London is averaging 65% of market rents across London. Of course, tenants of those homes are eligible for housing benefit, as required.

Home Ownership

14. **Tony Baldry** (Banbury) (Con): What steps his Department is taking to support home ownership. [77108]

The Minister for Housing and Local Government (Grant Shapps): This Government are, of course, committed, first, to ensuring that interest rates remain low for as long as possible, so we have been tackling the deficit to help first-time buyers. In addition, we are helping 10,500 first-time buyers through our FirstBuy scheme and 100,000 new right-to-buy tenants currently in council houses will own their own homes.

1. *[Official Report, 21 November 2011, Vol. 536, c. 2MC.]*

Tony Baldry (Banbury) (Con): My right hon. Friend will be aware of the gap between deposit aspiration and deposit actuation for first-time buyers in Banbury and Bicester. Will he update the House on how the FirstBuy scheme will support young first-time buyer families in my constituency?

Grant Shapps: People are having to save such large deposits for their homes and we are keen to do something about that, so the FirstBuy scheme ensures that they need to save only 10% rather than the current average of 20%. I am pleased to tell my hon. Friend that 169 homes are available in his constituency under the scheme.

Steve McCabe (Birmingham, Selly Oak) (Lab): At a time when the Scottish Widows research shows that the average age of first-time unassisted buyers is set to rise to 44, is the Minister at all concerned that he might be just a little too complacent in his response?

Grant Shapps: First, just to correct the figures, we think that the current average age is about 37. There was a report suggesting that over the next 20, 30 or 40 years the figure might increase unless action is taken. We are absolutely focused on taking that action, which is why, as we have discussed, 100,000 homes are being sold through the right-to-buy scheme, with 100,000 affordable homes being built. This afternoon, we have discussed the 100,000 homes on Government land and, of course, the 170,000 homes through the new affordable homes programme, which the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Hazel Grove (Andrew Stunell) mentioned. Yes, we are confident; we are doing many of the things that never happened under the previous Administration.

Jack Dromey (Birmingham, Erdington) (Lab): Because the Government have mismanaged the economy, consumer confidence, house prices and house building are falling, and we have a mortgage market in which people cannot get mortgages. Were it not for the 60,000 homes that were commissioned and paid for by a Labour Government but built in the past 12 months—Labour's legacy—the house building industry would have been on its knees. Will the Housing Minister now back Labour's call to repeat the bankers' bonus tax in order to build 25,000 homes and create tens of thousands of jobs and apprenticeships? Will he also work with lenders and the house building industry to introduce a mortgage scheme that will offer hope to those who wish to buy their own home that they will be able to realise their dream?

Grant Shapps: I welcome the hon. Gentleman to his new position. He will be the eighth housing spokesman or deputy on the Labour side whom I have faced either in government or in opposition. I hope that he stays there longer than the previous incumbents. I think the main questions are about the new homes bonus, the HomeSwap Direct scheme, the opposition to £100,000-salaried tenants in council homes and whether the gap in policy and the constant switching of Ministers are going to come to an end, because without that the Opposition have nothing to say about housing policy at all. We are starting to get homes built in this country for the first time in years.

National Planning Policy Framework

15. **Bill Esterson** (Sefton Central) (Lab): What assessment he has made of the legal opinion obtained by the Campaign for the Protection of Rural England in relation to the green belt and the national planning policy framework. [77109]

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): The Government have clearly stated their determination to maintain strong protections for the green belt. Of course, by abolishing regional strategies we are removing the threat to the green belt in more than 30 separate locations across the country. We have received a large number of representations in relation to the NPPF and we will give all of them, from all sources, appropriate and careful consideration.

Bill Esterson: I note that the Minister is ignoring the legal opinion. Let me read to him what CPRE has to say. It is concerned that

"Green Belt policy would be undermined by the sustainable development presumption together with the expectation that applications should be approved unless there are adverse impacts to policies in the NPPF as a whole."

What is he doing to address those concerns, which result from a legal opinion? Does he agree with that advice?

Robert Neill: I have to say that one comes across a lot of legal opinions—I have done so myself in a previous life—and I have every respect for the author of that opinion, but we will consider it along with all the other submissions we consider in relation to the NPPF.

Miss Anne McIntosh (Thirsk and Malton) (Con): Perhaps the difficulty is that the countryside is not defined and neither are green spaces or green areas. Could we perhaps refer to "appropriate" rather than "sustainable" development?

Robert Neill: I am grateful to my hon. Friend for her contribution. Obviously, we will consider any constructive suggestions, as we have made clear. It is worth bearing in mind that the presumption enhances a plan-led approach. Indeed, the significance of up-to-date plans is strengthened under our proposal, which I note that another eminent QC described in the planning encyclopaedia as an "excellent piece of work".

Landlord Accreditation Schemes

16. **Simon Hughes** (Bermondsey and Old Southwark) (LD): What steps he is taking to encourage local authorities to develop landlord accreditation schemes for the private rented sector; and if he will make a statement. [77110]

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): Good accreditation schemes can play an important role in developing a local authority's relationship with its local landlords. Experience shows that accreditation works much better when it reflects local circumstances at local government level.

Simon Hughes: Given that it is only seven weeks until the official beginning of winter and that one of the great failures of the private sector for tenants is that it often provides badly insulated homes, what can the Government do to make sure not only that tenants stay warm but that they do not have ridiculously high fuel bills?

Andrew Stunell: My right hon. Friend makes a very important point. Both fuel poverty and carbon emissions are major targets of the Government's policy. That is why we are introducing the green deal next year, which is available to landlords for the private rented sector, and that is also why we have the energy company obligation. My right hon. Friend will know that the Energy Act 2011 provides the opportunity to introduce minimum standards in the private rented sector from 2018 if we need to go further.

Mr George Howarth (Knowsley) (Lab): Is the Minister aware of the growing trend whereby the produce of drugs sales is used to fund the private rented sector and as a means of laundering the money involved? If so, what is he going to do about it.

Andrew Stunell: Clearly, if the right hon. Gentleman has evidence of that, I am sure that he will pass it to the proper authorities so that action can be taken. I am well aware that such matters will be vigorously investigated by the police and, if necessary, the Revenue.

Several hon. Members *rose—*

Mr Speaker: Order. I had been advised that the hon. Member for St Ives (Andrew George) had withdrawn his question, but a simple nod of the head will suffice to reinstate him. We are grateful.

Housing

17. **Andrew George** (St Ives) (LD): What contribution he expects the private rented sector to make towards future housing need. [77111]

Mr Speaker: I call the Minister, who I am sure has come fully briefed.

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): The private rented sector has already responded flexibly to housing need over the past few years. By 2010 it had expanded to house some 3.4 million households in England, an increase of 1 million since 2005.

Andrew George: I am grateful to the Minister for his response and apologise for any delay, which was caused by my train. In view of his response, what assessment and modelling has his Department undertaken on the impact of the change to the thirtieth percentile for housing allowance and the extension of the single-room rent to those under 35 years of age? Many private landlords are extremely concerned about the impact on their viability.

Andrew Stunell: I thank my hon. Friend and am grateful that his train got him here on time. The Department for Work and Pensions has published a full assessment of the number of residents projected to be affected by the changes that have been brought forward and has presented to the House the facts of the situation.

Mr Andrew Love (Edmonton) (Lab/Co-op): If we accept that, as the Minister suggests, we will be more dependent on the private rented sector, what action will he take to deal with the very high rents and very low standards in much of the sector?

Andrew Stunell: The hon. Gentleman might be interested to know that satisfaction surveys have shown that 70% of tenants in the private rented sector say that they are fairly satisfied or very satisfied, which contrasts with 69%—slightly lower—in the social rented sector, so we need to be careful not to jump to conclusions about that. It is of course important that accommodation is of a high standard, which is why many local authorities have developed accreditation schemes, and in some cases licensing schemes, to deal with the problem.

Green Belt Land

20. **Karen Lumley** (Redditch) (Con): What steps he is taking to protect green belt land. [77114]

The Minister of State, Department for Communities and Local Government (Greg Clark): The draft national planning policy framework is unequivocal in continuing the protection of the green belt. By abolishing the previous Government's regional spatial strategies, we are removing the top-down pressure on councils to take away the green belt in 30 areas across England.

Karen Lumley: My constituents in Hanbury, a small village near Redditch, are facing a proposed development of over 400 homes, which would considerably change the nature of the village. Will my right hon. Friend reassure me that their rights will be protected under the framework and that due consideration will be given to their concerns?

Greg Clark: My hon. Friend knows that I cannot comment on the particular situation to which she refers, but she should be reassured about the new powers set out in the framework. The Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Bromley and Chislehurst (Robert Neill), quoted from the legal bible on planning, the planning encyclopaedia. It states, "The most impressive of the sections in the NPPF is that on the green belt." As a précis of PPG, it states that, "it could not be bettered, in particular in respect to inappropriate development. It would certainly be inconsistent with the policies herein contained for there to be any significant encroachment of built development on the green belt."

Unauthorised Development

21. **Lorraine Fullbrook** (South Ribble) (Con): What plans he has to increase the powers of local authorities to deal with unauthorised development. [77116]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): The Localism Bill includes five provisions aimed at strengthening local planning authorities' powers to tackle unauthorised development.

These include restrictions on the use of retrospective planning applications when an enforcement notice has been served and the ability of councils to take action against unauthorised development that has been concealed deliberately.

Lorraine Fullbrook: Does my right hon. Friend agree that unauthorised developments have created tensions between Travellers and the settled population and consequently created community dysfunction?

Mr Pickles: My hon. Friend makes a very reasonable point. The Traveller community has managed to live side by side with the settled community for many years, but recent changes in planning law and recent reliance on human rights have created a number of difficulties. We will be issuing some revised guidance very soon, which will complement the Localism Bill.

Topical Questions

T1. [77119] **Sarah Newton** (Truro and Falmouth) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Communities and Local Government (Mr Eric Pickles): Last week I spoke at the conference on supporting local communities after August's disgraceful riots. Money is already reaching local firms, but at the request of councils we are extending the deadline for the high street support scheme until after Christmas in order to ensure that even more firms can be helped.

I have a meeting with Louise Casey, who is leading a new troubled families unit in my Department. Such families cost the economy more than £8 billion, and they have been failed by up to 20 overlapping agencies.

This morning I represented Her Majesty's Government at the memorial service for Sir Simon Milton. His influential voice will be greatly missed, and the Prime Minister in a written tribute said:

"A gentle and modest man, he earned the respect and admiration from politicians of all political colours and from the communities he served so diligently."

He will be greatly missed.

Sarah Newton: Repatriating council houses, as well as their rents, will be positively welcomed by tenants and enable Cornwall to build much-needed new council housing, so will the Secretary of State assure me that plans to change the self-financing of council housing are on track to be delivered in April next year?

Mr Pickles: I know my hon. Friend has a considerable interest in council housing and has been a substantial champion of it. Yes, indeed, that reform is part of the coalition agreement, and, although it has taken some while to negotiate, once it is delivered we will be able to distribute debt throughout the country and place authorities in a much better and stronger position. I know that it enjoys support across the House.

Hilary Benn (Leeds Central) (Lab): May I associate myself with the Secretary of State's words about Simon Milton?

As a direct result of a decision taken by the Secretary of State, the most deprived 10% of single-tier councils will see their spending power reduced by almost four times as much as the least deprived 10%. So far, he has failed to justify that choice of his. Will he now explain to the House why he thinks that it is fair?

Mr Pickles: I welcome the right hon. Gentleman to his new post. I hope that he will be extremely comfortable, and we will do our best to increase his comfort as the months go on.

The answer is very straightforward. The previous Government made a number of decisions to attack the most deprived areas by removing measures such as the working neighbourhoods fund. They left no provision, so it was up to us to put in some provision to help the most needy. In addition, we have ensured that under those schemes the most needy authorities receive more than the least needy authorities.

Hilary Benn: I thank the Secretary of State for his kind words, but an answer to the question would have been even nicer, so let me try another one.

In the Secretary of State's speech to the Conservative party conference this year, he promised new safeguards for playing fields. In fact, he is scrapping Labour's planning policy guidance in a way that

"significantly weakens the current protection on sports facilities"—

not my words, but those of Sport England. Why is he doing that, and will he now revise his national planning policy framework to put that protection back in?

Mr Pickles: I know the right hon. Gentleman is new to the job, but he is very distinguished and should at least have done his homework. He knows perfectly well that that is certainly not the case. We are having very constructive discussions with Sport England about planning policy, and those protections will be there.

T2. [77120] **John Pugh** (Southport) (LD): What are the Government doing about empty homes and, in particular, homes above shops as a way of easing pressure on the green belt?

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): I thank my hon. Friend for his question. We now have some 700,000 empty homes, of which over 300,000 have been empty for more than six months, and it remains a key priority of this Government to bring them back into use so that some of the 1.7 million families on council house waiting lists and the many more who would like to purchase their homes can do so.

T3. [77121] **Dr Alan Whitehead** (Southampton, Test) (Lab): Will the Secretary of State confirm the really startling figures from the first quarter of the operation of the new homes bonus, which show that new home starts went down by 18% compared with the same period last year, and that residential planning permissions went down by 23% compared with that same period? If he can confirm that those figures are correct, will he tell us what plans he has to revise the mechanisms of the new homes bonus?

The Minister for Housing and Local Government (Grant Shapps): Every question from the Opposition seems to involve an attack on the new homes bonus, which will pay the same amount as last year—nearly £200 million—for new homes started, in addition to another sum which may well be similar again, and in addition to an additional £20-plus million for the affordable housing element of the new homes bonus. The House needs to understand whether or not the Opposition support a bonus being paid when new homes are built.

T6. [77124] **Anne Marie Morris** (Newton Abbot) (Con): Does the Minister agree that the key to opening up public sector procurement opportunities for small and micro-businesses is to ask local authorities to ensure that companies that are experts in their fields are not effectively excluded by the use of consolidated contracts that favour larger businesses that might be a jack of all trades but a master of none?

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): I am grateful to my hon. Friend for raising that important point, because this is precisely why we are working with the Local Government Association on its local procurement programme. The programme is looking in particular at what are sometimes described as micro-lots, which are used as a means of breaking up a large contract into smaller bundles, which are specifically designed to be more accessible to smaller firms and providers.

T4. [77122] **Paul Flynn** (Newport West) (Lab): Even though a five-star dinner at the Savoy, which was paid for by the lobbyist Bell Pottinger, had in attendance at least one firm that had an application in with the Secretary of State's Department, he says that he has no reason to register it in the Register of Members' Financial Interests because that day he was eating not as a Minister but as a private person. If we are to have a robust, transparent system of lobbying, does he not think that that loophole needs to be closed, so that we do not have to guess on which days Members are eating privately and on which they are eating ministerially?

Mr Speaker: Order. I wanted to hear the question, but the registration of Members' interests is undertaken by Members in their capacity as Members, rather than as Ministers. I suspect that there will be a correspondence or exchange subsequently, but that is my understanding of the position.

T7. [77125] **Mr David Amess** (Southend West) (Con): Southend council is facing a sensitive planning application to build a hospice on green belt land. What reassurance can my right hon. Friend give to local residents that that would not create a precedent for more building on the green belt?

The Minister of State, Department for Communities and Local Government (Greg Clark): My hon. Friend knows that I cannot comment on that particular application, for reasons that he understands, but I think it has been clear from our exchanges today that our determination is to protect the green belt through the national planning policy framework, and to take away the threats that are placed on local councils to remove it.

T5. [77123] **Lilian Greenwood** (Nottingham South) (Lab): As a member of the armed forces parliamentary scheme and a strong supporter of the British Legion, I am concerned to ensure that returning service personnel receive the strongest possible support. Why, therefore, did the Minister admit on 10 February that his Department had done nothing to assess the housing needs of that group?

Grant Shapps: I am not sure whether the hon. Lady intended to suggest that I had made that comment, but let me reassure her that I have held a returning forces summit to talk about and act upon those people's rights to get into new-build homes and to get to the top of the waiting lists. I can further tell her that it is my intention to ensure that they have No. 1 priority when we launch the tenancy directions in a week or two. It is the absolute priority of our Department to ensure that returning personnel get every advantage when it comes to new homes.

T8. [77126] **Neil Carmichael** (Stroud) (Con): With reference to planning policy, what measures are the Government going to introduce to ensure that councils can encourage businesses to thrive and prosper, and encourage new ones to come to their area?

Mr Pickles: This is happening in relation not only to our planning policy but to the change in the way local government is financed. We have heard some discussion about the new homes bonus, and we are changing and repatriating the business rate. We are also working alongside business in the new enterprise partnerships, rather than dictating to it as the previous lot did.

Paul Goggins (Wythenshawe and Sale East) (Lab): Greater Manchester is set to lose up to 500 firefighters during this Parliament. How can it be right that Greater Manchester fire service faces a two-year funding cut of 9% when Essex and Cheshire will enjoy an increase of 2%?

Robert Neill: The fire distribution formula is based essentially on a needs element, which in turn looks at the pressures on the fire authority, including risks and issues that arise from being urban. In fact, as I said in response to an earlier question, I increased the weighting given to urban factors within the formula. Larger authorities often have the greatest ability to deal with shared services, joint operation and better procurement. The spending power reduction takes account of reserves and council tax, and always remains significantly less.

T9. [77127] **Mrs Helen Grant** (Maidstone and The Weald) (Con): Many companies in my constituency are finding it hard to cope financially at the moment. What action will the Minister take to boost local enterprise and local business in Kent?

Mr Pickles: I am sure my hon. Friend will be delighted with today's announcement of the regional growth fund expansion in east Kent, including the funding of small and medium-sized enterprises. This supports delivery of critical infrastructure to provide jobs, and at £40 million it is one of the highest awards. I am delighted that the regional growth fund is helping investor technology,

and we are seeing the start-up of a local enterprise partnership at the Sandwich site to deal with those questions relating to Pfizer.

Mr Dennis Skinner (Bolsover) (Lab): Is the Secretary of State aware that when the working neighbourhoods fund was created, local authorities in Bolsover and Chesterfield provided lots of apprenticeships in north Derbyshire. Unless that working neighbourhoods fund is continued through 2012, those apprenticeships, which are like the song and dance of one of his ministerial colleagues, will be gone. What will he do about that?

Mr Pickles: Before the hon. Gentleman gets into his version of the two step, let me tell him that the former Labour Chancellor, the right hon. Member for Edinburgh South West (Mr Darling), announced the ending of the working neighbourhoods fund, which ended in March. We found some transitional relief, so if the hon. Gentleman is interested in dancing, I suggest he do a tango with his right hon. Friend.

Duncan Hames (Chippenham) (LD): Wiltshire council continues to spend eye-watering sums of taxpayers' money on redundancy payments. Will the Secretary of State back last year's Audit Commission recommendation that councils should publish details of such severance payments within a short, set time period?

Mr Pickles: Yes.

Simon Danczuk (Rochdale) (Lab): Controversially, developers in Rochdale wish to build 600 houses on the site of what was the world's biggest asbestos factory. Will the Under-Secretary of State for Communities and Local Government, the hon. Member for Hazel Grove (Andrew Stunell), say why, during a recent party political visit to Rochdale, he held a private meeting at the site with the council's head of planning, which excluded everyone else, including long-standing local community campaigners?

Robert Neill: All meetings are dealt with appropriately through the codes. The hon. Gentleman will know full well that in any planning application all matters must be dealt with entirely appropriately and transparently.

Stuart Andrew (Pudsey) (Con): Time and again, my constituents complain about the effects of garden-grabbing on the character of local neighbourhoods. Will my hon. Friend assure me and the House that planning reforms will protect residential gardens, and stop inappropriate development in future?

Greg Clark: I certainly will. We have already changed the definition of brownfield sites so that gardens are not included and no local authority is obliged to build on gardens if it does not want to.

Mr Iain Wright (Hartlepool) (Lab): How many jobs and businesses will be created as a result of the enterprise zone being set up on Teesside?

Mr Pickles: The hon. Gentleman seems to scoff at the idea. Having being in Teesside, it seems to me that job prospects are considerably enhanced. Frankly, he should get behind that, and not criticise it.

Brandon Lewis (Great Yarmouth) (Con): I thank the Secretary of State for visiting Great Yarmouth last week and seeing our enterprise zone at first hand. With the announcement then of businesses already signing up to an enterprise zone, and today a signature to the memorandum of understanding with Scottish Power for our port and outer harbour, does he agree that such working together by local authorities and businesses will see the growth of real jobs through enterprise zones?

Mr Pickles: I was very impressed by what I saw in Great Yarmouth, which has within it Nelson ward—the fourth most deprived ward in the country. What impressed me was people's determination. Great Yarmouth had an opportunity, about 30 years ago, to become the Aberdeen of the south, and with the move towards carbon capture and similar moves on energy it has an opportunity to become a major driving force within the United Kingdom.

Mr Nick Raynsford (Greenwich and Woolwich) (Lab): May I draw attention to my interests in the register?

Is the Secretary of State aware that Notting Hill Housing Trust, a housing association, is reported to be marketing overseas some of the homes that it is currently building? Although it may be understandable for private builders facing the very serious crisis in selling properties to do this, is it not totally unacceptable, at a time of chronic need for housing for British people here in this country, for a housing association to be selling homes overseas? What is the Minister going to do about it?

Grant Shapps: I am grateful to the right hon. Gentleman, who has a long history in housing, and I will certainly undertake to look into the subject that he has raised. Let me mention something else that has come to my attention. A lot of people who are in council houses have second homes, and they rent out their main home or the council home. That is another scandal that I am sure he will appreciate our bringing to an end.

George Hollingbery (Meon Valley) (Con): I very much welcome the establishment of the new national social housing HomeSwap website. Is it not a shame that the shadow Housing Minister describes it as a "gimmick", particularly since his party destroyed the last one?

Grant Shapps: The opportunity for people in social housing to be able to swap homes in exactly the same way as in the private rented sector, or indeed for home owners, is absolutely invaluable. The scheme says a lot about this Government's intention of ensuring that social mobility applies to all. It is a great pity that the Opposition spokesman criticised it, given that it will give people the opportunity to move for social reasons, family reasons, and, of course, work.

Joan Ruddock (Lewisham, Deptford) (Lab): The Government have made much of localism. Does the Minister believe that it is appropriate that local people and Lewisham council can prevent further betting shops in Deptford high street, given that we already have eight betting shops and four pawnbrokers? Will he revise the Use Classes Order 2010?

Greg Clark: The right hon. Lady rightly takes up the cause of her constituents, as do other Members across the country. We are taking this very seriously, and we will have more to say about it during the weeks ahead.

Mr Edward Leigh (Gainsborough) (Con): Does the Minister with responsibility for localism believe that Government, and indeed local government, websites can provide an invaluable way of allowing ordinary people to express their point of view? If 100,000 people were to express a point of view, does he think that they should be listened to? A simple yes will suffice.

Mr Pickles: I hope that we are a listening Government, and I hope that my colleagues in local government are listening councils.

Several hon. Members *rose—*

Mr Speaker: Order. Demand has exceeded supply and we must now move on.

Feed-in Tariffs

3.33 pm

Caroline Flint (Don Valley) (Lab): *(Urgent Question)*: To ask the Secretary of State for Energy and Climate Change if he will make a statement on the Government's proposals to reform feed-in tariffs.

The Minister of State, Department of Energy and Climate Change (Gregory Barker): Since the feed-in tariffs scheme started, it has been successful in encouraging people up and down the country to get involved in local, clean green energy generation. Solar photovoltaic has led the way, and more than 100,000 homes now generate their own electricity. It is a very attractive technology to install, driving forward the coalition's ambitious, decentralised energy agenda, but let us be clear: the current returns now available on solar PV investments, funded by energy consumers through our energy bills, are unsustainable. Falling PV costs mean that returns are at least double those originally envisaged for the scheme. This does not provide value for money to consumers. If we do not act now, the entire £867 million budget for the current spending review period would be fully committed within the next few months. That would limit the number of people able to benefit from feed-in tariffs.

We are therefore consulting on new tariffs for solar PV installations. Owing to the urgency involved, we propose that the new tariffs would apply to all new installations that become eligible for FITs on or after a "reference date", which we propose should be 12 December. We are also seeking views on other proposals, including one to strengthen the link between feed-in tariffs and energy efficiency. It cannot be right, and it is a fault of the system that we inherited, that we subsidise renewable energy generation on energy-inefficient buildings.

We are determined to secure the continued success of feed-in tariffs through sustainable growth, not boom and bust. We are consulting on new tariffs for solar PV to secure the FITs budget in the interests of all eligible technologies and to bring greater coherence to the Government's ambitious policies to green Britain's homes.

Caroline Flint: Thank you, Mr Speaker, for forcing the Government to come to the Commons today. With thousands of jobs and businesses at risk, it was rather a surprise that the Government wanted only to issue a written statement. It is a shame that the Secretary of State for Energy and Climate Change could not spare the time to be here.

Today's announcement is yet another example of a Government who are out of touch, are cutting too far and too fast, and have no plan for jobs and growth. Last year, the solar industry employed 3,000 people in 450 businesses. Today, it employs 25,000 people in 3,000 businesses. With growth flatlining everywhere else, today's announcement threatens to strangle at birth the solar industry. It is a kick in the teeth for families who want to do the right thing by investing in solar. The new proposals guarantee that lower-income households will lose out, as fewer firms offer the lifetime deals that are currently available, and that solar will be available only to the well-off.

The Minister claims that installation costs have fallen by 30%. That is partly, I would argue, because of the mass, bulk investment in this new industry. If that is so, why have the Government reduced the tariffs by more than 50%? With a new rate of 21p per kWh, how many jobs and businesses have been put at risk? The UK has installed only 3% of the solar energy installed in Germany in the past two years. Is that the level of the Government's ambition—3% of German productivity?

The Minister claims that the current scheme could add £26 to domestic electricity bills. The fact is that this Government's failure to stand up to the powerful vested interests in the energy industry has led to £175 being added to bills in the past six months alone.

Will the Minister tell us why, when the consultation is not due to finish until 23 December, the cut-off point for eligibility under the existing scheme is 12 December? What does he say to people who have already commissioned domestic solar power systems and paid a deposit, but who, through no fault of their own, will not manage to install, certify and officially register them by 12 December?

Labour started the process of feed-in tariffs and we remain proud of it. It may have needed adjustment as costs fell, but the coalition has messed around with it repeatedly, given out mixed messages and left 25,000 workers in a high-tech industry of the future facing the dole. In opposition, the Conservatives promised a more ambitious scheme; today's announcement is just another broken promise.

Gregory Barker: This is rather extraordinary, because there has only ever been one substantive vote on feed-in tariffs in the House of Commons. Everyone on this side of the House voted in favour of feed-in tariffs. The right hon. Lady and all her hon. Friends voted against them. Will she apologise because the last Labour Government had to be dragged, kicking and screaming, into setting up a feed-in tariff system? Not only that, but they so begrudged it that they set up the worst scheme that they could imagine. The amount of detail that was wrong and the scandalous way in which it was set up by the now Leader of the Opposition were disgraceful. The faults that we are rectifying were created by the previous Government.

The right hon. Lady says that we are out of touch. We may be out of touch with the solar lobby, but we are not out of touch with energy bill payers. She says that they are groaning under a £175 increase, but she wants to put that up. If we did not act now, consumers would face massive increases in energy bills. Today, she has come to the House with a different face on and she does not care about the cost that she proposes to add to energy bills. If energy bills go unchecked, it would add around £1 billion a year—that might be small beer to Opposition Members, but Government Members understand just how much strain energy consumers are under.

The right hon. Lady talks about the level of ambition. We know that had the previous Government had their way, there would be no ambition, because there would be no feed-in tariff scheme. The only reason we have a feed-in tariff scheme is that the Labour Government were defeated in the House of Lords by Liberal Democrats and Conservatives united.

The new tariff that we are proposing to pay is on a par with the tariff paid in Germany. Across Europe, the cost of solar subsidy has been falling. It is a real shame

that the right hon. Lady is rushing to make partisan points rather than engaging in a sensible discussion on how we get the best value for money out of the feed-in tariff scheme. We have £867 million. We want it to be spread as widely as possible; she wants it to be enjoyed by the lucky few. Bumper double-digit returns of 10% or 15% for those lucky enough to install panels is disgraceful when people are lucky to get 1%, 2% or 3% at the building society. The Government are recalibrating the return on feed-in tariffs to the level—similar to 5%—that was originally intended. I am afraid that the right hon. Lady is the one who is out of touch.

Finally, the right hon. Lady asks why eligibility will start from 12 December. It is very simple. Were we not to do that, and were we to announce a change now and leave the current arrangements in place until next April, there would be a massive gold-rush, and the entire budget for feed-in tariffs—the entire £867 million—would be gone by then. The last people from whom we should take lessons on how to manage a budget are Labour Members.

Mr John Redwood (Wokingham) (Con): As someone who thinks it is very important that we get lower energy bills, I welcome any move in the right direction. Will the Minister tell us how much his proposals might knock off the bill, and will there be other measures to get the price down further?

Gregory Barker: This is saving money rather than knocking money off the bill, but I can assure my right hon. Friend that we are absolutely determined to ensure that green policies deliver real value for money. Unlike the Opposition, we are engaged not in some sort of illusion of green never-never land, but in the realities of what will deliver savings to consumers now, and real green jobs and growth. It is that rather than wishful thinking that informs our policy making.

Joan Ruddock (Lewisham, Deptford) (Lab): What are the implications for housing associations, such as Peabody, which by providing solar energy in my constituency is helping the very poorest in the country to cut their energy bills?

Gregory Barker: That will depend on the assumptions that the housing association has made of the rate of return that it will get. If it worked on the basis of the rate of return that was originally intended for the scheme when the right hon. Lady was in the Department—that is, around 5%—it will have absolutely no problem in going forward. If it has based the rate of return on the inflated rate that we have seen this year as a result of the dramatic fall in prices—conservative estimates are that the fall in costs is 30%, but others, such as Bloomberg, say that it is up to 70%—and if it is assuming a double-digit rate of return, it will struggle to finance the scheme.

However, I would say to the right hon. Lady, who I know is committed to this agenda, that we must see this stage of feed-in tariffs as building the foundations of a decentralised system that includes a large element of solar. However, even given the high costs of solar, at 21p it will attract the highest level of any subsidy of mainstream technologies. At that level, we cannot simply give an open cheque for unfettered deployment.

Several hon. Members *rose—*

Mr Speaker: I listened with the very closest and most intense interest to the answer by the Minister, but if we could have slightly pithier answers from now on, it would aid us all greatly.

Roger Williams (Brecon and Radnorshire) (LD): The requirement for participants in the scheme to achieve a certain energy efficiency will work against people in rural houses with solid walls, who will find that difficult to achieve. Will the Minister say something about those people, who are often in fuel poverty?

Gregory Barker: Yes, we want much greater integration in the Government's various policies, certainly the ones that we inherited. We think that before anybody does anything they should improve the energy efficiency of their home. That obviously presents particular problems for people in rural areas, which is why the green deal will include a substantial element of annual subsidy through the energy company obligation, which will particularly help those with solid walls and in off-grid and rural areas.

Barry Gardiner (Brent North) (Lab): Given that the installation and registration deadline for the existing tariff is 11 days prior to the close of consultation, will the Minister confirm whether it is a new Government policy to consult on things despite having already fixed a deadline? If, on the other hand, the consultation finds that the deadline is inappropriate and the Government reach that conclusion after listening to the public, what will they do about those who fall into the gap in the meantime?

Gregory Barker: This is a difficult issue. The hon. Gentleman will appreciate that we are trying to save the budget. If we were to leave this scheme open until next April, as we had originally intended—although we said that we would act if there was an urgent need, and there is—there would be a run on the fund. The cut-off date will be 12 December, but people will not get a reduction in tariffs until April. It is complex. It is driven by the fact that there is a run on the budget, and we are acting responsibly to preserve the budget for lots of other consumers and to ensure that it does not just disappear in the next few months.

Laura Sandys (South Thanet) (Con): Will the Government explain how our policies compare to those in Europe where feed-in tariffs have also become unaffordable?

Gregory Barker: Of course, in socialist Spain we have seen boom and bust writ large, with the entire solar tariff scheme collapsing, causing a complete run in confidence. Elsewhere across Europe, we have also seen massive falls in solar prices. The more nimble, smarter tariff schemes have adjusted down their tariffs. We aim to get ours on a par with something similar to that in Germany.

Mr Michael McCann (East Kilbride, Strathaven and Lesmahagow) (Lab): Proven Energy, a firm in my constituency, went bust because of the inadequacies of

[Mr Michael McCann]

the planning regulations for small wind energy. For that reason, the 55 people now on the dole do not accept the Government's proposition that they are the greenest Government ever. What evidence can the Minister give me that today's announcement will be any different from previous commitments and that this is not just empty rhetoric with no substance?

Gregory Barker: It will not be a surprise that I disagree strongly with the hon. Gentleman. We are the greenest Government ever. This is the Government who have put £3 billion into a green investment bank; who have cut their emissions by 13.5%, despite Opposition Members saying that it was not possible; and who are backing green energy and have an ambitious plan for a whole range of technologies, and who are not one-club golfing.

Several hon. Members *rose—*

Mr Speaker: Order. May I remind the House that Members who were not here at the start of this exchange should not expect to be called?

Nicky Morgan (Loughborough) (Con): I understand the necessity of ensuring a sustainable scheme, but will the Minister assure me that the voices of small companies such as C. Gascoigne, a family-based electrical installation company in my constituency, will be heard as part of the consultation and that it will not be left just to the big companies to set the policy?

Gregory Barker: Absolutely. It is because we value the work of small and medium-sized enterprises and smaller companies that we do not want many of the larger companies simply to gobble up the whole budget within months. We will be listening carefully to SMEs and trying to provide a sustainable pathway that they can build on.

Caroline Lucas (Brighton, Pavilion) (Green): I believe that the Minister is aware of Brighton energy co-op in my constituency, which uses investment for local people for community-owned solar panels. The project's director is deeply concerned about the impact of these new proposals. Will he offer a stay of execution for community projects with planning permission so that they can get up and running and not be bound by the December deadline?

Gregory Barker: One of the faults of the scheme that we inherited from the Labour Government was that there was no way of recognising within the tariffs any sort of community scheme. One way in which we will reform the scheme will be to consider creating a special tariff for community schemes, which were totally ignored in the system set up by Labour Members.

Alec Shelbrooke (Elmet and Rothwell) (Con): Will the Minister reassure the House that anyone on the existing feed-in tariff will not see it reduced?

Gregory Barker: Absolutely; these changes do not apply to anybody already claiming the tariff.

Albert Owen (Ynys Môn) (Lab): The hon. Gentleman knows that I have been campaigning for those off the gas grid. Many people who do not have mains gas pay the highest winter fuel costs; is there a possibility that those who have moved over to PV will be looked at specially? Is there a special discount for people who do not have mains gas?

Gregory Barker: There is no special discount for those off mains gas, but obviously the counter-factual makes the offer even more attractive for them. I would encourage those such as the hon. Gentleman's constituents who are off-gas not only to look at solar PV, but to look at the renewable heat incentive and the renewable heat premium payments, which are already out there, and to see whether they can apply for some of the vouchers for the range of technologies that will help them with their heating, which will form a much larger proportion of their annual energy bills than electricity.

Dan Rogerson (North Cornwall) (LD): I very much welcome the Minister's comments to the hon. Member for Brighton, Pavilion (Caroline Lucas) about community schemes. May I urge him to look closely at this issue? In my constituency, Wadebridge renewable energy network—which I believe he is aware of—is looking hard at the scheme, which could have huge benefits as the money is reinvested to deliver more carbon reduction schemes across our communities.

Gregory Barker: We are keen to encourage community schemes wherever we can, but we have a budget to manage and it is clear that demand far, far outstrips supply, particularly with the current, inflated subsidies. We are therefore trying to recalibrate the scheme and put it on a sound footing, to ensure that the money will be available for years to come to support exactly the sorts of schemes to which my hon. Friend refers.

Paul Flynn (Newport West) (Lab): Given that cost is the main criterion, why have the Government not reconsidered the costs of nuclear power, which are ballooning? Is it not true that the coalition has been taken over by the bad science loonies of global warming denial?

Gregory Barker: That is absolute rubbish. There is no subsidy for nuclear power.

Dr Julian Huppert (Cambridge) (LD): I share people's concerns about the suddenness of the change and the effect on individuals and organisations that were already planning solar installations between December and April and had budgeted appropriately. One example is Ridgefield, a new primary school in my constituency. Will the Minister consider carefully whether exemptions could be made for deserving cases such as that?

Gregory Barker: I am afraid it is just not possible to make exemptions in such a system. We need to drive down the cost of solar. We will achieve that by ensuring that people do not price to the tariff but are incentivised to bring down costs. We need to ensure that the fall in costs internationally is passed on to consumers and that the industry does not continue to price to the tariff.

Paul Blomfield (Sheffield Central) (Lab): As we see this Government's credentials as "the greenest ever" crumbling before our eyes, where is the Secretary of State?

Gregory Barker: This may come as a surprise, but we have a team on this side of the House. I have been leading on this issue, and the Secretary of State is very happy for me to do so. *[Interruption.]*

Mr Speaker: Order. This is not said pejoratively, but I have noticed that whenever the Minister is in the Chamber, Opposition Members seem to get very wound up and excited. I do not know whether it is his fault that he winds them up or their fault that they allow themselves to be wound up, but the House needs to calm down a little.

Mrs Anne Main (St Albans) (Con): I appreciate that something had to be done about the overly large tariff subsidies, but Electrical and Testing Services in my constituency is worried about the speed of change. What advice and guidance will my hon. Friend give to small businesses so that they can get through the transition period without having to lose any staff?

Gregory Barker: My hon. Friend is absolutely right to look to the interests of small businesses, many of which were feeling slightly excluded, because of the speed with which larger firms were gobbling up the budget. It is because we want to preserve the budget over the longer term that it will be more sustainable for smaller businesses. However, I would recommend such businesses to look not just at solar PV, but at integrating a range of technologies into their offer—in particular, energy efficiency—and at how they might offer services for the green deal.

Meg Munn (Sheffield, Heeley) (Lab/Co-op): Feed-in tariffs should be about more than just solar. What is the Minister doing to help small businesses that are working on innovation and other technologies to compete and to provide a wide range of technologies for people to chose from, particularly when we get into the green deal?

Gregory Barker: The hon. Lady is absolutely right. The danger was that solar, which was already taking more than 90% of the feed-in tariff budget, would take the whole lot. There are a lot of other micro-technologies out there that I want to see supported, such as micro-hydro, micro-combined heat and power, small-scale wind and small-scale biomass technologies. There are lots of different technologies that we need to come into the system and that also need fair funding. There are, of course, opportunities in the comprehensive reviews to look at the support for other tariffs, and we may even consider raising them where they act as an insufficient incentive to bring on those other technologies.

David Mowat (Warrington South) (Con): The Minister may be aware of a recent research paper produced by the Parliamentary Office of Science and Technology, which estimates that solar produces three times as much carbon per kWh as other renewable technologies such as wind and nuclear. Why are we subsidising solar more than the others?

Gregory Barker: I am not aware of that particular paper, but I have to say that I remain a fan of solar. The issue is about the cost of solar. The fact is that it currently attracts four times as much subsidy as any other form of renewable generation. It is not viable to have a mass roll-out of that technology when costs are still that high. We need to bring the costs down. When we get to that point, we will see a mass roll-out in the UK—but not before costs have been brought down further.

Kelvin Hopkins (Luton North) (Lab): The Minister has not answered one important point made by my right hon. Friend the Member for Don Valley (Caroline Flint)—that he has buckled under pressure from the big six energy producers. Is it not the truth that they make money out of selling electricity and they do not want competition?

Gregory Barker: That is why, unlike the previous Government, we are bringing forward transformational proposals as part of our electricity market reform. We have already had one Energy Bill in this Parliament; another will be along shortly.

Jason McCartney (Colne Valley) (Con): I fully appreciate that the previous Government intended to reduce feed-in tariffs at some stage. However, what assessment does the Minister make of the effect of this announcement on small and medium-sized enterprises that have flourished in installing solar PV over the past couple of years?

Gregory Barker: They have flourished only really in the last few months. The rate of deployment doubled between September and June. We are seeing an extraordinary bubble that has grown over the past few months. Of course, these enterprises will see their order books reduced relative to the past few months, but we need to put them on a sustainable footing. A lot of people in the industry have raised such concerns privately with me. Anyone who talks to solar producers knows that they realise that there needs to be responsible and sustainable growth, not a quick burst.

Joan Walley (Stoke-on-Trent North) (Lab): What about the 100 jobs lost and the effect on 4,000 households in Stoke-on-Trent as a result of what seems to be retrospective legislation through consultation? Surely the Government should do the right thing and allow at least those applications that are in the pipeline not to be affected so severely by any change in tariff.

Gregory Barker: It is our judgment—it is a matter of judgment; I do not pretend that we have it absolutely right—that the 12 December cut-off date is a fair assessment of how long it will take those currently in the system to get through to deployment. That is why we landed on that 12 December cut-off date, but I appreciate that there might be individual exceptions to that rule. I say to the hon. Lady that this is about creating a sustainable future. The Labour party accused me earlier in the spring of butchering the solar industry, since when deployment has trebled.

Dan Byles (North Warwickshire) (Con): Small companies based in and around my constituency are concerned as they feel that they stepped up to the plate as the Government

[Dan Byles]

asked them to do, and created growth, businesses and jobs—yet they now face an uncertain business model going forward. Will the Minister agree to meet me and small business owners in this industry in my constituency to discuss the practical impact of these changes?

Gregory Barker: I am happy to meet my hon. Friend, but he must understand that the one thing that would be absolutely wrong would be to encourage these firms to rush forward in a burst of growth knowing that the money would run out in a matter of months. A sustainable pathway for growth is what they need.

Ian Lucas (Wrexham) (Lab): On a day when the Government are saying that they are in favour of jobs and growth, I find it extraordinary that the Minister is standing at the Dispatch Box and criticising Labour Members for arguing for small businesses which have invested on the basis of Government policy. These businesses will be completely shafted in six weeks' time by his decision not to implement a satisfactory stable investment framework. What impact does he think his decision today will have on future investment in the solar industry in the UK?

Gregory Barker: I find this scaremongering and doom-mongering from Labour Members to be absolutely reprehensible. We are taking the scheme back to the same rate of return as when it was launched 18 months ago. We are simply trying to reduce the bubble created by the ineffective scheme set up by Labour. We believe in a sustainable path for growth, not in boom and bust like the Labour party.

Karen Bradley (Staffordshire Moorlands) (Con): Will the Minister confirm that the cost of solar installation has fallen by 30% in less than two years? If that is the case, is it not right for feed-in tariffs to be adjusted accordingly?

Gregory Barker: My hon. Friend is right, and in fact the cost of some systems has fallen by much more than 30%. Bloomberg estimates that the cost of some of them has fallen by more than 50%—indeed, by up to 70%. This is not a United Kingdom phenomenon; prices have tumbled spectacularly throughout Europe. However, because of the ineffective system that we inherited from the Labour party, there was no way in which tariffs could keep pace with that.

Huw Irranca-Davies (Ogmore) (Lab): The last fast-track of the solar feed-in tariff was derided because nothing—I repeat, nothing—changed as a result of the consultation. This consultation will end after the date of the start of the new scheme. May I ask the Minister, in all seriousness, what impact assessment he has made in relation to the number of community schemes that are currently in progress but will not proceed as a direct result of his proposals and the 12 December deadline?

Gregory Barker: I am grateful to the hon. Gentleman for his question, because it was he who accused me of butchering the industry after the last review. Since then, deployment has trebled. He was wrong earlier in the year, and he will be spectacularly wrong again. He will know that because of the way in which the system was set up under the—*[Interruption.]* If hon. Members will calm down slightly, I will answer their question. Perhaps they will allow me to get the words out.

The fact is that the way in which the system was constructed—*[Interruption.]* I am trying to give the answer. Because of the way in which the system was constructed, there is no way of rewarding community schemes. There is no tariff for communities. There is no way of distinguishing between a City hedge fund manager and a village hall because of the way in which the system was constructed by the last Government. We will try to change that so that we can specifically recognise community schemes, and we will consult on that work.

Lorely Burt (Solihull) (LD): I must declare an interest. We recently had solar PV installed on our roof. The people next door saw it, and they now have it as well. I understand that the scheme has been a victim of its own success, but how confident is my hon. Friend that the change in tariffs will not cut off the growth of, and interest in, solar PV as a source of renewable energy in other households?

Gregory Barker: Obviously there is a difficult balance to be struck, and I know that many firms will find it difficult to navigate the system, especially in the short term. I must make it clear, however, that it would have been wrong to do nothing, and to allow the whole budget to be burnt through in a matter of months. Had we done that, the industry would have been looking at oblivion, but now, thanks to timely intervention, it can look at a sustainable pathway to growth.

Mr David Hanson (Delyn) (Lab): What would the Minister say to the work force and management of Kingspan, a firm in my constituency that manufactures solar panels and solar cells? A representative of that firm told me on the telephone this very morning that the effect of the Minister's decision on pre-order contracts will cost it £12 million between January and April next year. Is that the way to improve manufacturing industry in Britain?

Gregory Barker: What I would say is that we intend to reduce tariffs to levels comparable with those in Germany, which has the highest level of renewables deployment in Europe. We are lowering tariffs to encourage market competitiveness. Kingspan is a great company that manufactures a range of products, not least insulation products, which will benefit from a boom as a result of the roll-out of the green deal between now and 2020.

Neil Carmichael (Stroud) (Con): I note the need to recalibrate and safeguard the budget, but does the Minister agree that it is important to encourage local councils to create the right framework for investment in a package of energy-saving measures?

Gregory Barker: Absolutely. We must get away from the silo culture that concentrates exclusively on solar PV, on the technological flavour of the month, or on one or two types of intervention. We need an holistic approach to energy measures, the most important of which is energy efficiency and the least important the

generation of electricity. The right hierarchy consists of energy efficiency, then heat, then renewable electricity, and local authorities are key partners in that regard.

Dr Alan Whitehead (Southampton, Test) (Lab): The Minister said at the solar photovoltaics conference last Friday that he had not come to kill solar PV tariffs. Does he accept that these appalling policy lurches—two in the past three months—are killing the solar industry's future, as was reflected by all those present at that conference? Will he now review the time scale for the most recent lurch, and at the very least extend it so that those who currently have contracts up to when there was originally going to be a review can carry out that work? Otherwise, no one will ever believe anything that he says about any tariffs in the future.

Gregory Barker: I am afraid the Labour party's credibility on this issue is ripped to shreds. It said in the spring that the industry would be butchered, since when deployments per month have trebled.

Andrew Percy (Brigg and Goole) (Con): Has the Minister had the opportunity to examine other countries around the world that have cut the feed-in tariff to see what impact it has had? For example, has he considered the Labour Government in New South Wales, which slashed the cost of the feed-in tariff to a third of its original value and set a cap on it for the very same reasons that he has given today?

Gregory Barker: Around the world, sensible Governments worried about energy bills are taking similar steps and introducing similar measures. Germany, which has the largest renewable deployment in the European Union, has a similar level of feed-in tariff for solar.

Pat Glass (North West Durham) (Lab): The Minister mentioned a silo culture, yet the Government are cutting feed-in tariffs, which are creating British jobs in companies such as Romag in my constituency. At the same time, they are providing regional growth fund money to companies to import Chinese panels to be assembled here and then sold on as British. Is that a deliberate policy to put at risk British jobs, or it is just sheer incompetence?

Gregory Barker: We are very supportive of excellent companies such as Romag, and we want to see more advanced manufacturing in this country. However, £867 million is the budget, and we have to ensure that it lasts and is sustainable rather than all being blown in a few months.

Andrew George (St Ives) (LD): I appreciate that the Minister understandably wants to defend his budget, but further to the question asked by the hon. Member for Brent North (Barry Gardiner), and bearing it in mind that the policy will be implemented before the end of the consultation period, may I plead with him to keep the matter under review and come back to the House before 12 December to explain where he has reached at that point? Will he keep the cut-off date under review, with the intention of perhaps extending it?

Gregory Barker: No, I am afraid that that would deliver the most terrible uncertainty to business. It has to be clear that there is a cut-off date. We mean what we say, I am afraid.

Nia Griffith (Llanelli) (Lab): The Minister is right that we cannot consider the matter in isolation. In the light of his Government's decision to betray the good faith of all those who have invested in the solar panel industry on the basis of feed-in tariffs, how will the Government now convince any potential investors in UK manufacturing that the Government can be trusted to stick to policies that encourage manufacturing, to avoid the immeasurable damage that the lack of that investment would cause?

Gregory Barker: That sort of hysterical response does very little to help the industry. The fact is that the feed-in tariff scheme was set up to provide a return in the region of 5%. Now, 18 months on, we are recalibrating the scheme to provide a return in the same region. Everything else is a bubble. The hon. Lady's constituents' energy bills pay for the scheme, and we cannot simply waste energy bill payers' money.

John Healey (Wentworth and Dearne) (Lab): Pensioners in nearly 200 council bungalows in the Dearne are set to benefit from new solar panels free of charge. That scheme, which was put together by Barnsley council and Berneslai Homes, is at risk from the Minister's announcement this afternoon. He has told the House that without these changes, he is worried that solar panels will become available only to the lucky few. Is not the truth that, with the changes, they will become available only to the wealthy few?

Gregory Barker: Basic maths would inform the right hon. Gentleman that the lower the tariff, the wider the money can be spread. If there is a very high tariff, the finite amount of money that we have can go to only a few people. The lower the tariff, the more people can benefit. It is basic maths.

Several hon. Members *rose*—

Mr Speaker: Order. Members know that I like to accommodate urgent questions very fully, but today's business faces substantial time pressure so I am afraid that we must now move on.

Points of Order

4.10 pm

Hilary Benn (Leeds Central) (Lab): On a point of order, Mr Speaker. You have made it very clear on a number of occasions that Government announcements should be made first to this House. Over the weekend, there were a number of stories in the media, complete with quotes from the Secretary of State for Communities and Local Government, about the contents of today's written statement about council tax on empty and second homes, which was made available only in the last hour and a half. This is the second time in a week that Communities and Local Government Ministers acting in this way has given rise to a point of order. Do you think such actions are acceptable and, if not, what can be done?

Mr Speaker: I would say two things to the right hon. Gentleman. First, I shall look into the specifics of this case, and in particular into what he has just said about attributed quotes. Secondly, let me reiterate a point that, as he rightly observes, I have made on innumerable occasions: it is a matter of straightforward courtesy and parliamentary propriety that statements of policy should first be made to this House, not elsewhere, and not by nods and winks or by leaks. I hope that is clear.

Mr William Cash (Stone) (Con): On a point of order, Mr Speaker. Last week, the Chancellor of the Exchequer gave a statement on the eurozone crisis. As the Prime Minister has now returned to the country, many people would have expected him to come to the House today to give his report on the recent summit, and especially on the proposals for the creation of a two-tier Europe. To my knowledge, this is the first time that the Prime Minister has not appeared before the House in such circumstances. Will you take such steps as are necessary to urge him to do so on this vital question that affects not only this House but the whole of the country?

Mr Speaker: The hon. Gentleman is an experienced Member with 27 years' service in the House, so he will know better than most of his parliamentary colleagues that whether Ministers make statements—and if so, when—is a matter for Ministers, not the Chair. However, through making his point of order, he has made his point, which may possibly have been his intention.

Paul Flynn (Newport West) (Lab): On a point of order, Mr Speaker. May I make it clear that the topical question that I asked earlier about the Secretary of State for Communities and Local Government was about the ministerial code, which was altered last year, and which

"obliges ministers to declare all hospitality accepted in a 'ministerial capacity' and all meetings with external organisations"?

If that means that a Minister can decide, on an unknown basis, whether he is meeting someone in a ministerial or a personal capacity, it makes a nonsense of that alleged improvement.

Mr Speaker: I am grateful to the hon. Gentleman for his point of order, and let me level with him: when he asked his question in DCLG questions, it was not clear to me—perhaps it should have been; perhaps the fault was mine—that the question was framed around the Minister acting in his ministerial capacity, with reference to the relevance of the ministerial code. It was because I thought as I did at the time that I ruled as I did. However, since then the hon. Gentleman has come along with, from my point of view, further and better information. I am grateful to him for explaining the point, and I hope he will accept my response in the spirit in which it is intended. It is always a dangerous enterprise to joust with somebody who has written a book about how to be a Back Bencher.

Sadiq Khan (Tooting) (Lab): And a good one as well.

Mr Speaker: Yes, and a good one as well, as the right hon. Member for Tooting (Sadiq Khan) helpfully points out, albeit from a sedentary position.

Mr William Bain (Glasgow North East) (Lab): On a point of order, Mr Speaker. Last Thursday morning, I discovered that my substantive oral question to the Secretary of State for Business, Innovation and Skills on the impact of levels of bank lending on small and medium-sized businesses, which had been accepted by the Table Office and drawn first in the shuffle, had been removed from the Order Paper at the instigation of the Department for Business, Innovation and Skills, which claimed that it was a Treasury responsibility. I was informed by the Table Office that I had been written to by the Department on Monday evening. I regret to inform you that neither my constituency office, nor my Westminster office received any such letter. Neither was I e-mailed or contacted by telephone by the Department, with the result that the first I was made aware of the question being transferred was through its absence from the Order Paper on Thursday morning and my subsequent inquiry at the Table Office.

I was most grateful to be able to catch your eye during topical questions, Mr Speaker, but the behaviour of the Department raises real concerns about the high-handed way in which the Government are treating legitimate questions raised by right hon. and hon. Members. Can you offer any advice on how Departments should behave in such circumstances in future to ensure that the fundamental democratic right of this House to hold the Executive properly to account is protected and that Members are treated with the courtesy they should expect when raising matters on behalf of their constituents? Have you received any indication from the Business Secretary regarding his intention to come to the House to make a statement on why he is no longer prepared to answer for the Government's record on bank lending, although he was prepared to respond to such questions as late as June?

Mr Speaker: I am grateful to the hon. Gentleman. The short answer to his question is that of course transfers are a matter for the Department concerned, but the Department that makes a transfer of a right hon. or hon. Member's question should do so at the earliest possible stage and should accept responsibility for directly notifying the Member well in advance of the fact of that change. Failure to meet that test is a discourtesy, both to the hon. Member and to the House. I think it is helpful, and probably not entirely coincidental, that as the hon. Gentleman has raised this important point of order, he has done so in the presence of the

Leader of the House, who I know will have such communications with his colleagues as are necessary to secure an improvement in conduct.

Bill Esterson (Sefton Central) (Lab): On a point of order, Mr Speaker. I wonder whether you could give me some guidance on whether the Secretary of State should come to this Chamber to answer urgent questions, such as the one we heard on feed-in tariffs—

Mr Speaker: Order. I do not mean to be discourteous to the hon. Gentleman in any way, but it was obvious where his question was headed. The short answer is that the choice of Minister to respond to an urgent question is exclusively a matter for the Government. Members can have an opinion about it, and they may have wanted Mr Secretary Huhne to be here this afternoon as opposed to Minister Barker, but that is a judgment entirely for the Government. It is not a matter for the Chair.

Chris Bryant (Rhondda) (Lab): On a point of order, Mr Speaker. As you will know, ever since Edward II was removed by Parliament as King, the royal succession has been a matter for the whole of Parliament—for both Houses—to determine. I wholly welcome the fact that the Prime Minister has gone off to Australia and announced that he is going to bring in some changes in respect of the royal succession, but he has not brought them to this House first. In particular, he has referred to one element of this—the matter of the male preference primogeniture—but has made absolutely no reference to the issue of how the succession should be dealt with in relation to Catholics and marriage to Catholics. Will you make sure, in so far as you are able, and as previous Speakers have done when such matters have arisen, that this issue is brought to the Floor of the House, either in the form of a statement or by some other means so that we can all inform the Prime Minister exactly how we approve of what he has done and how we would like him to go further?

Mr Speaker: I have no idea what my predecessors did or did not do in relation to comparable matters, and the history books would have to be studied by me with some intensity and speed in order for me to answer that point made by the hon. Gentleman. But his wider point I take, and he has registered it—I think that was probably his main purpose for today. Wherever the Prime Minister is, there is a real prospect that the verdict of the Voice of Rhondda will be made known to him. *[Interruption.]* The hon. Gentleman rather pessimistically chunters from a sedentary position that he thinks that that is unlikely, but he should live in hope; we all attach importance to his words.

If there are no further points of order, we will move on to Mr Secretary Clarke. We have been saving him up.

Legal Aid, Sentencing and Punishment of Offenders Bill

4.19 pm

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): I have been fascinated by the proceedings while I have been waiting to move the motion. I beg to move,

That, notwithstanding that such provisions could not have been proposed in Committee without an Instruction from the House, amendments may be proposed on Consideration of the Legal Aid, Sentencing and Punishment of Offenders Bill to—

(a) provide for measures against the payment or receipt of referral fees in connection with the provision of legal services,

(b) create a new offence relating to squatting, and

(c) amend section 76 of the Criminal Justice and Immigration Act 2008 (reasonable force for purposes of self-defence etc).

The motion seeks to widen the scope of the Bill in order to provide for measures to be introduced on the payment of referral fees, on the creation of a new criminal offence relating to squatting and to amend the law that governs the use of reasonable force for the purposes of self defence.

I hope that this debate will be focused on the resolution and therefore be a short procedural debate. Obviously, there are points of substance to debate in the three areas that we are bringing into scope, but the obvious time to debate those issues is when we reach them in the course of your selection of amendments, Mr Speaker. We are all anxious to debate other measures in the Bill, for which we will have three full days on Report, so I think we should deal quickly with procedural matters and get on to the substance.

On sentencing, quite a lot will come tomorrow which I look forward to debating. I am being attacked from the right and from the left—that is the story of my life—but I regard all those attacks as entirely misconceived and I hope to answer them tomorrow. More importantly, today we have a lot of amendments on the Order Paper regarding legal aid and it is important that we get on to consider their merits on the Floor of the House in the light of debates in Committee. I hope, therefore, that the House will be satisfied if I merely explain why we are introducing measures on these three topics and bringing them to Floor of the House rather late in the day, on Report.

Referral fees are a familiar subject and have been discussed on the Floor several times in recent months. Since they were introduced—or since the ban on solicitors' paying referral fees was lifted—in 2004, they have increased very rapidly and have contributed to an unwelcome increase in personal injury cases in our courts. They have tended to encourage the introduction of speculative claims and have certainly raised the cost of contesting litigation. The reason we have waited until Report to introduce amendments on the subject is that the proposals have been out to consultation for a few months and the consultation closed only recently. Even during the consultation we were under pressure from the right hon. Member for Blackburn (Mr Straw) to do something about this issue; I entirely agreed with the points he made and the Government are now responding.

On squatting, the Prime Minister announced on 21 June that we were again about to consult briefly on the possibility of introducing a criminal offence of squatting

[Mr Kenneth Clarke]

in the Bill. The consultation closed on 5 October. Anyone who has suffered from the presence of squatters in their property knows the distress and misery they cause. We have restricted the new criminal offence to residential properties precisely to avoid opening up the wider debate that might have ensued on squatting and I am not aware of any strong reaction to what we are doing. Existing laws provide some safeguards for property owners, but our making squatting in residential buildings a criminal offence will provide rather greater protection in circumstances where the harm caused is most severe. Again, I am not aware of much objection in principle to those measures. Personally, I have always found it difficult to see the difference between taking somebody's car and taking somebody's home. There is a need for a criminal offence.

Finally, the Prime Minister also announced on 21 June that we would put beyond doubt that home owners and small shopkeepers who use reasonable force to defend themselves or their properties will not be prosecuted. We think that further action on self-defence is necessary to reassure members of the public that they are allowed to use reasonable force to defend themselves or their properties against intruders or others.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): How will this law differ from the common law right to defend property and the existing law on self-defence under which one can use proportionate and reasonable violence to defend oneself?

Mr Clarke: I will address that when we reach the amendments in two days' time—*[Interruption.]* Well, that is exactly where the Labour Government were two years ago. We are attempting to clarify the law and reassure people that the use of reasonable force is indeed legitimate in English law. The main thing it deals with is the fact that there is no duty to retreat when facing a dangerous or threatening attack, but we will discuss that when we come to that part of the Bill. If that was a fundamental change in the law, I would probably face objections to its introduction on Report. It is an attempt once more to build up public confidence in the perfectly reasonable right people have to use legitimate force when defending themselves and their property.

Sir Alan Beith (Berwick-upon-Tweed) (LD): I happen to be sympathetic to all three things the Secretary of State is trying to do, but surely he must take account of the fact that the procedures of the House, which he is trying to bypass, provide that there should be a general discussion on the principle of doing something, followed by a detailed discussion in Committee of how it can be done and then an opportunity to make further amendments on Report if necessary. Does he not have to mount quite a strong case that that is unnecessary in these circumstances?

Mr Clarke: The case I am making is that there are essentially no surprises here, because Members have been perfectly well aware of the proposals for all three subjects. They have been debated widely and consulted on, and we are introducing them in a form that I do not think adds a great deal of controversy to the Bill. As we all know, the Bill is very large and included some very important elements. These three subjects are relevant to what we are trying to do to the justice system. The right to self-defence was in the coalition agreement when the Government were formed, so everyone knew that we would return to it, and the Prime Minister announced it again in June. Banning referral fees was in Lord Justice Jackson's report on reform of civil litigation costs, which we are already acting on, as far as no win, no fee arrangements are concerned. We delayed making proposals on referral fees because we were waiting for the Legal Services Board to give its opinion following consultation. We have been consulting on squatting, as I have said. The inclusion of these subjects is hardly surprising. All three have been referred to and debated on the Floor of the House, so I hope that it will agree to extend the scope of the Bill.

Mr John Redwood (Wokingham) (Con): I think that my right hon. and learned Friend is absolutely right and I do not agree with the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith). There is plenty of time to debate this, it was well heralded and is not a great departure. I wish my right hon. and learned Friend well with it.

Mr Clarke: I am grateful to my right hon. Friend. I think that we should move on to the important debates on legal aid today. I hope that the House is genuinely satisfied that these are three sensible subjects that are closely related to reform of the justice system and will allow us to widen the scope of the Bill, as I propose.

4.27 pm

Sadiq Khan (Tooting) (Lab): May I begin my reassuring the Justice Secretary that we will not divide the House on the motion? We accept that the next three days should be spent discussing the substance of this very important Bill. Over the course of the next three days, the Opposition will submit contributions to demonstrate how out of touch the Government are in this area.

I am afraid that this procedural motion shows that they are also incompetent when it comes to seeking to pass legislation that they feel is important. As the Chair of the Justice Committee, the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith), mentioned, none of the matters outlined in the motion—self-defence, squatting and referral fees—was unknown to the coalition Government when they began consultation in May 2010. There have been three separate Green Papers and lots of discussion, debate and consultation. As the Justice Secretary is well aware, No. 10 decided back in June to take over responsibility for the Bill, and at the 11th hour the focus groups told them that these are the measures that might win them some support. He is being attacked not only by the left and the right, but by No. 10.

We do not object to the procedural motion to bring the three things he has referred to into the debate, and I am sure that the Justice Secretary will see over the next three days that we will support some of the measures he has talked about, but it leads one to question why the Government, who for 13 years lectured us on process and procedures—colleagues have just intervened to take about the importance of process on the context of Europe—think that it is not important to discuss these

things and consult community groups and stakeholders about the importance of these measures. I am sure that the other House will be watching this debate and the way the Government are seeking to make legislation on the hoof at the 11th hour.

4.29 pm

Tom Brake (Carshalton and Wallington) (LD): I rise to make a few brief comments. First, I welcome the fact that the Government are making proposals to tackle referral fees, which are a scandal and an irritant. Secondly, I welcome what I believe will be clarification of when reasonable force for purposes of self-defence can be used. Finally, the Secretary of State said that he was not aware of any representations having been made on squatting, but Crisis clearly has concerns about the measure's potential to criminalise those who squat in residential properties that might have been empty over a long period. I hope that when we debate the matter in more detail, it will be made clear that there is not going to be a dragnet that draws in everybody irrespective of how long a property has been empty.

4.30 pm

Chris Bryant (Rhondda) (Lab): I am sorry to say to the Secretary of State that I wholly deplore the use of this procedural device, because we have a very good, established system in this House of three Readings, Committee and Report, with gaps in between so that people can consider the amendments that have been passed and consider whether other amendments should be tabled so that Opposition Members or Back Benchers can look at what the Government have proposed and suggest amendments of their own in good time. None of that is possible in this situation.

If the measures were for some emergency, I might understand why the Secretary of State had made such a suggestion, but he has suggested absolutely no emergency in relation to any of the three issues today. In fact, his argument, in so far as I can understand it, is that basically, "Nobody really cares about this stuff; it's all agreed on by everybody"—*[Interruption.]* If he is seeking to intervene, I am happy to give way.

Mr Kenneth Clarke: I share the hon. Gentleman's sensitivities about the scope of a Bill being widened in the ordinary course of events, but I have already explained how all three things have been canvassed. There has been consultation—indeed, it stopped us introducing them at an earlier stage—and, as he well knows, the pressure on parliamentary time is such that quite a lot of rather worthwhile criminal justice reforms are not enacted for years because no one can find a slot in the legislative timetable for them—*[Interruption.]* There are details, and the right hon. Member for Carshalton and Wallington (Tom Brake), who spoke a moment ago, raised a particular detailed point, which will be heard here, and then in the upper House, about exactly what limits there might be on residential property, but this is a sensible process and we should not be sticklers at the expense of worthwhile reform.

Chris Bryant: I am grateful to the Secretary of State for allowing me to intervene on his intervention, but his basic argument is, "This is just for the convenience of Government"—and for no other reason.

In relation to reasonable force, the right hon. and learned Gentleman's argument, in so far as I could see it, was that basically, "It isn't going to make the blindest bit of difference, so why not just let it go through?" When Ministers say, "We have to change the ordinary processes for the Government's convenience, and we know we can do it because we have a majority—by definition, because we are the Government," we almost always end up with bad legislation, as it is not sufficiently scrutinised. It certainly happened when we sat on the Government Benches, and I am absolutely certain that it will continue to happen now.

Mr Llwyd: I support much of what the hon. Gentleman says. If the measure is not going to make a great deal of change to the substantive law, but is just going to elaborate on or slightly clarify it, why do we need to legislate?

Chris Bryant: Precisely, and it is a bad idea to add to a Bill that is already pretty much a Christmas tree Bill a few more baubles at the last stage before it reaches Third Reading. It is a fundamental mistake and a bad way of proceeding, and I can tell from the body language of the Secretary of State and Lord High Chancellor that he is a little embarrassed about coming forward in this manner—

Mr Kenneth Clarke *indicated dissent.*

Chris Bryant: If Secretary of State is not embarrassed, as he now suggests, he has gone down in my estimation.

The right hon. Member for Wokingham (Mr Redwood) said that all these matters have been extensively debated, but it is one thing to debate a matter in its general application and principles but quite a different matter to look at the wording on the page when it actually comes to legislation.

As I understand the rules of this House, given that we have not yet carried the motion before us, no amendments to which the Government have referred can possibly yet have been tabled. So, they will be tabled tonight and appear on the Order Paper tomorrow, and consequently we will not be able to table amendments to those amendments until after that. I can see the Clerk saying "No, no, no", so perhaps I have got that completely wrong—*[Interruption.]* He is nodding now, so I hope that hon. Members will feel free to ignore the last part of my speech and remember everything I said at the beginning of it, and that they will oppose this ludicrous process.

Mr Speaker: I am sure that that is what many colleagues will have done.

4.35 pm

Sir Alan Beith (Berwick-upon-Tweed) (LD): I want to add briefly to the intervention that I made earlier. The hon. Member for Rhondda (Chris Bryant) has been quite honest about the fact that all Governments get into this kind of situation, including the one of which he was a member, when he exercised responsibility for the conduct of the business of the House. He has made some sound points about the lack of an adequate amending procedure for material introduced at this stage. I can see that there has been extensive public

[Sir Alan Beith]

discussion on all three of the issues, but the Government ought to find a way of ensuring that the House has a proper legislative process.

There are a number of ways in which that could have been achieved in this case. The Government could have put down their initial plans in the content of the Bill or by amendment in Committee, making it clear that, if the consultation led them to believe that the proposals should not be proceeded with in that way, they would accept that at a later stage. Alternatively, parts of the Bill could have been recommitted by a recommittal motion, to allow a couple of Committee sittings to deal with those matters. We ought to be very cautious about a motion that contains the word "notwithstanding", because that means that the procedures that the House has set in place to ensure proper consideration are not being observed in this case. That is why I pressed the Lord Chancellor to provide a strong defence of what he was doing.

Question put and agreed to.

Legal Aid, Sentencing and Punishment of Offenders Bill (Programme) (No. 2)

4.36 pm

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): I beg to move,

That the Order of 29 June 2011 (Legal Aid, Sentencing and Punishment of Offenders Bill (Programme)) be varied as follows:

1. Paragraphs 4 and 5 of the Order shall be omitted.

2. Proceedings on Consideration and Third Reading shall be concluded in three days.

3. Proceedings on Consideration shall be taken in the order shown in the first column of the following Table.

4. The proceedings shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

TABLE

Proceedings	*Time for conclusion of proceedings*
Amendments to, and new Clauses and new Schedules relating to, Clauses 7 and 8 and Schedule 1.	10.00 pm on the first day
New Clauses and new Schedules relating to sentences of imprisonment or detention for public protection, life sentences, extended sentences and the release and recall of extended sentence prisoners.	6.00 pm on the second day
New Clauses and new Schedules relating to referral fees; new Clauses and new Schedules relating to fines on conviction in magistrates' courts.	8.00 pm on the second day
New Clauses and new Schedules relating to section 76 of the Criminal Justice and Immigration Act 2008; new Clauses and new Schedules relating to squatting.	10.00 pm on the second day
New Clauses and new Schedules relating to, and amendments to, Part 1 (other than Clauses 7 and 8 and Schedule 1); new Clauses and new Schedules relating to, and amendments to, Part 2; remaining new Clauses; remaining new Schedules; amendments to Parts 3 and 4; remaining proceedings on Consideration.	6.00 pm on the third day

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at 7.00 pm on the third day.

I wish to declare, for the purposes of this motion, Report and Third Reading, all relevant disclosures made in the Register of Members' Financial Interests and the ministerial register. In particular, I mention any interest that I may have as a non-practising solicitor who has not received any payment under the legal aid scheme, and my brother-in-law's ownership of two claims management companies in which I have no financial

interest. May I also declare any interest I may have in the insurance sector? My investment holdings are in the hands of a blind trust, and although I do not know what they are, I know that they did include—and therefore might possibly still include—a minority share in the Lloyds Djanogly Family LLP and various other insurance and financial shareholdings as declared by me in the Register of Members' Financial Interests at the start of this Parliament.

I will briefly introduce the motion. First, I wish to thank the Committee members, many of whom are here today, for the robust debate in Committee and the detailed scrutiny that they gave to the Bill. I look forward to their continued input to the debate over the next three days, which I am sure will be as comprehensive and informed as it was throughout our proceedings. In the 18 Committee sittings, we made excellent progress through this very significant Bill. We managed to consider all 119 clauses and 16 schedules without the use of knives or too many late sittings, and we still managed to finish early on the last day. Given that the Opposition called 47 Divisions, that was a particularly impressive achievement.

There are some considerable Government amendments to get through, and I accept that it is unusual to be adding new topics to a Bill at this stage, but the Justice Secretary explained the reason for that in the previous debate. However, three days on Report will provide adequate time to debate the amendments thoroughly. It is unusual to have three days on Report—indeed, this is the first time that this Government have made three days available for debate on Report. I hope that the additional time will be seen as reflecting our ongoing commitment to the thorough scrutiny of the Bill, and that it will be welcomed by all Members on both sides of the House. We have inserted a few knives—namely, on the second day—to ensure that we have proper time to debate the Government's new clauses on extended determinate sentences, referral fees, fines, self-defence and squatting. I believe that the motion gives the House plenty of time to debate these matters thoroughly, and we look forward to the forthcoming debate.

4.39 pm

Sadiq Khan (Tooting) (Lab): I thank the Minister for his declaration of interest.

My hon. Friend the Member for Rhondda (Chris Bryant) talked about a Christmas tree Bill with baubles being added all the time. The Bill has 120 clauses and 18 schedules. At the eleventh hour, as the Christmas tree is being cut down to be taken to the other place, more baubles are being added: 17 Government new clauses, five Government new schedules and 84 Government amendments. During debate today, tomorrow and on Wednesday, many important issues of substance will arise, which our constituents believe are worthy of debate before a vote: domestic violence; clinical negligence; social and welfare law, including unemployment, debt and welfare housing; the abolition of indeterminate sentences to protect the public; the change in the laws relating to life sentencing and to referral fees; the criminalisation of squatting; the clarification of the law on self-defence; and the new extended determinate sentences. There are also changes in the law relating to disclosure of information, knife crime and bail.

Keith Vaz (Leicester East) (Lab): On knife crime, I do not know whether my right hon. Friend saw the Lord Chancellor's helpful and entertaining evidence to the Select Committee on Home Affairs when he seemed to reject the idea of mandatory sentences for knife crime for those aged under 18? That was changed within 24 hours. Does my right hon. Friend accept that we need sufficient time to debate that important change? We welcome it, but it would be good to know what is behind the Government's thinking.

Sadiq Khan: I underscore the important contribution from my right hon. Friend, who chairs the Home Affairs Committee. When we discuss knife crime on Wednesday, we will also discuss legal aid, litigation funding and costs, sentencing, bail, and release and recall of prisoners. The suggestion that we can have anything like the substantive debate that our constituents demand is folly.

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): To assist the right hon. Gentleman in his preparation for the debate on knife crime, the Chairman of the Home Affairs Committee will recall that I was particularly hostile to mandatory sentences for young children. The Order Paper includes an amendment tabled by the official Opposition on mandatory six-month sentences for 12-year-olds and above. I do not think anything I said to the Select Committee should encourage the right hon. Member for Tooting (Sadiq Khan) to think I will agree with him when we come to that subject.

Sadiq Khan: If the right hon. and learned Gentleman is so happy to have a debate, why is he so scared? Let us have proper time for the debate. Let us set aside time for it, and discuss the matter. Let us not have knives in the programme motion. Why is he running away? Let us have the debate, at any time, in any place—*[Interruption.]* We have no choice but to press the programme motion to a Division. It is important that the other place sees what happens in this Chamber. The Government claim that they want debate, but when it comes to important issues of huge significance to our constituents, what do they do? They run away.

4.42 pm

Simon Hughes (Bermondsey and Old Southwark) (LD): We should recognise that the Government have been unusually generous in providing more time for Report and Third Reading than I remember under any other Labour or Tory Government. There may be Government amendments that are significant in content and import, but it is partly up to us to ensure that we proceed expeditiously.

As there is a motion on the Order Paper to allow the end of the debate to be put back a bit, would the Government be sympathetic to doing that if we could get through all four groups of amendments by extending our proceedings slightly by, say, half an hour? The last group includes important matters of substance that I hope we reach, because it is important to debate them.

4.44 pm

Mr Djanogly: The right hon. Member for Tooting (Sadiq Khan) mentioned various changes that have been proposed by the Government and the longer Bill

[Mr Djanogly]

that has resulted. We are not denying that, and that is why we have provided the third day. It was good to see the right hon. Member for Bermondsey and Old Southwark (Simon Hughes) recognising that. The right hon. Member for Tooting says, "Any time, any place," and that is today, Tuesday and Wednesday.

Question put.

The House divided: Ayes 292, Noes 209.

Division No. 379] **[4.44 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Clappison, Mr James
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davis, rh Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Morgan, Nicky
Morris, Anne Marie
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Opperman, Guy
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pincher, Christopher
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Rifkind, rh Sir Malcolm
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Streeter, Mr Gary
Stride, Mel
Stunell, Andrew
Sturdy, Julian

Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Greg Hands and Mr Brooks Newmark

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Dakin, Nic
Danczuk, Simon
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hanson, rh Mr David
Harman, rh Ms Harriet
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jamieson, Cathy
Jarvis, Dan
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McFadden, rh Mr Pat
McGovern, Alison
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Ruane, Chris
Ruddock, rh Joan
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, Mr Iain

Tellers for the Noes:
Mr David Hamilton and Phil Wilson

Question accordingly agreed to.

Legal Aid, Sentencing and Punishment of Offenders Bill

[1st Allocated Day]

[Relevant Documents: The Third Report from the Justice Committee, on the Government's proposed reform of legal aid, HC 681, and the Government's response thereto, Cm 8111]

Consideration of Bill, as amended in the Public Bill Committee

Schedule 1

Civil legal services

4.59 pm

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): I beg to move amendment 10, page 99, line 11, leave out from 'where' to first 'for' in line 13 and insert '—

(a) the services are provided to the individual, or

(b) the individual has died and the services are provided—

(i) to the individual's personal representative, or

(ii) '.

Mr Deputy Speaker (Mr Nigel Evans): With this it will be convenient to discuss the following: Government amendment 11.

Amendment 91, page 103, line 3, after 'family', insert 'or other intimate'.

Amendment 93, page 103, line 4, at end insert

'or where an allegation is made that B has been abused by A or is at risk of being abused by A'.

Amendment 23, page 103, leave out lines 35 to 38 and insert—

'"abuse" means any incident of threatening behaviour, violence or abuse (psychological, physical, sexual, financial or emotional) between adults who are or have been intimate partners or family members, regardless of gender or sexuality.'.

Amendment 92, page 103, line 35, leave out 'physical or mental abuse' and insert

'any incident of threatening behaviour, violence or abuse (whether physical, mental, financial or emotional)'.

Amendment 74, page 104, line 23, at end insert—

'(10) For the purposes of this paragraph, evidence that A has been abused by B or is at risk of being abused by B may consist of one or more of the following (without limitation)—

(a) a relevant court conviction or police caution;

(b) a relevant court order (including without notice, ex parte, interim or final orders) including a non-molestation order, occupation order, forced marriage protection order or other protective injunction;

(c) evidence of relevant criminal proceedings for an offence concerning domestic violence or a police report confirming attendance at an incident resulting from domestic violence;

(d) evidence that a victim has been referred to a Multi-Agency Risk Assessment Conference (as a high-risk victim of domestic violence) and a plan has been put in place to protect that victim from violence by the other party;

(e) a finding of fact in the family courts of domestic violence by the other party giving rise to the risk of harm to the victim;

(f) a medical report from a doctor at a UK hospital confirming that the applicant has injuries consistent with being a victim of domestic violence, such injuries not being limited to physical injuries;

(g) a letter from a General Medical Council registered general practitioner confirming that he or she has examined the applicant and is satisfied that the applicant had injuries consistent with those of a victim of domestic violence;

(h) an undertaking given to a court that the perpetrator of the abuse will not approach the applicant who is the victim of the abuse;

(i) a letter from a social services department confirming its involvement in connection with domestic violence;

(j) a letter of support or a report from a domestic violence support organisation; or

(k) other well-founded documentary evidence of abuse (such as from a counsellor, midwife, school or witnesses).

(11) For the avoidance of doubt, no time limit shall operate in relation to any evidence supporting an application for civil legal services under paragraph 10.'.

Amendment 94, page 104, line 25, leave out '("A")'.

Amendment 95, page 104, line 27, leave out 'other than A'.

Amendment 96, page 104, line 39, at end insert—

'(1A) Civil legal services provided to an adult in relation to proceedings for financial relief in respect of a child who is the subject of an order or procedure mentioned in sub-paragraph (1).'.

Amendment 97, page 104, line 39, at end insert—

'(1B) Civil legal services provided in relation to proceedings in which the court is considering giving a direction under section 37 of the Children Act 1989 (direction to authority, where care or supervision order may be appropriate, to investigate child's circumstances).'.

Amendment 98, page 104, line 39, at end insert—

'(1C) Civil legal services provided in relation to proceedings arising out of a family relationship involving a child in respect of whom a court has given a direction under section 37 of the Children Act 1989 (direction to authority, where care or supervision order may be appropriate, to investigate child's circumstances); and "family relationship" has the same meaning for the purposes of this sub-paragraph as it has for the purposes of paragraph 10.'.

Amendment 99, page 105, line 42, leave out 'to a child'.

Amendment 100, page 105, line 43, leave out first 'the' and insert 'a'.

Amendment 101, page 106, line 1 , leave out first 'the' and insert 'a'.

Amendment 102, page 106, line 3 , leave out first 'the' and insert 'a'.

Amendment 83, page 108, line 44 , leave out sub-paragraphs (5), (6) and (7).

Government amendments 55 to 59.

Amendment 113, page 112, line 5 , at end insert—

'Immigration: victims of domestic violence and indefinite leave to remain

24A (1) Civil legal services provided to an individual ("I") in relation to an application by the individual for indefinite leave to remain in the United Kingdom or a claim by the individual to a right to reside in the United Kingdom, on the grounds that—

(a) I was given leave to enter or remain in the United Kingdom for a limited period as the partner of another individual present and settled in the United Kingdom, or had the right to reside in the United Kingdom as the partner of another individual, and

(b) I's relationship with the other individual broke down permanently as a result of the abuse of I by an associated person.

General exclusions

(2) Sub-paragraph (1) is subject to the exclusions in Parts 2 and 3 of this Schedule.

Specific exclusions

(3) The services described in sub-paragraph (1) do not include attendance at an interview conducted on behalf of the Secretary of State with a view to reaching a decision on an application.

Definitions

(4) For the purposes of this paragraph, one individual is a partner of another if—

(a) they are married to each other,

(b) they are civil partners of each other, or

(c) they are cohabitants.

(5) In this paragraph—

"abuse" means any incident of threatening behaviour, violence or abuse (psychological, physical, sexual, financial or emotional) between adults who are or have been intimate partners or family members, regardless of gender or sexuality.

"associated person", in relation to an individual, means a person who is associated with the individual within the meaning of section 62 of the Family Law Act 1996;

"cohabitant" has the same meaning as in Part 4 of the Family Law Act 1996 (see section 62 of that Act);

"indefinite leave to remain in the United Kingdom" means leave to remain in the United Kingdom under the Immigration Act 1971 which is not limited as to duration;

"present and settled in the United Kingdom" has the same meaning as in the rules made under section 3(2) of the Immigration Act 1971;

"right to reside" means a right of residence established under Directive 2004/38/EC of the European Parliament and the Council 29 April 2004 on the right of citizens of the Union and their family members to move and reside within the territory of the Member States amending Regulation (EEC) No 1612/68 and repealing Directives 64/221/EEC, 68/360/EEC, 72/194/EEC, 73/148/EEC, 75/34/EEC, 75/35/EEC, 90/364/EC, 90/365/EEC and 93/96/EEC.'.

Government amendments 60 and 61.

Amendment 145, page 112, line 11, at end insert—

'(1A) Civil legal services provided to an individual for a matter arising out of any rule laid down under section 1(4) of the Immigration Act 1971 making provision for family members to enter or remain in the United Kingdom as the family member of a refugee or beneficiary of humanitarian protection.'.

Government amendments 62, 13, 14, 63, and 15 to 18.

Amendment 103, page 7, line 35, at end insert—

'(7) But the Director must determine that an individual qualifies for civil legal services where the services relate to a matter falling within paragraph 10 of Schedule 1 and—

(a) the individual has been admitted to a refuge for persons suffering from domestic abuse;

(b) the individual has obtained medical or other professional services relating to the consequences of domestic abuse, or

(c) an assessment for the purpose of possible mediation of a family dispute has concluded that the parties need not engage in mediation as a result of domestic abuse,

and in this subsection "domestic abuse" means abuse of the kind to which paragraph 10(1) of Schedule 1 relates'.

Mr Djanogly: This rather substantial group of Government and Opposition amendments concerns legal aid for family and immigration matters, including domestic violence issues, as well as certain technical amendments to the Bill. I shall begin with a group of technical Government amendments, before moving on to the family and immigration ones.

Government amendments 10, 11, 13 and 14 amend paragraphs 3 and 33 of part 1 of schedule 1 in order to ensure that funding can be granted to the personal representative of a deceased child, vulnerable adult or victim of a sexual offence who wishes to pursue a civil claim for the benefit of the estate. The amendments are necessary because the Bill, as currently drafted, would limit legal aid to the child, vulnerable adult or victim personally. Where that individual dies, it is clearly right that legal aid should remain available to that individual's personal representative to pursue a relevant claim on behalf of their estate. It is not necessary to make equivalent changes to other paragraphs in part 1 because relevant paragraphs do not exclude claims being brought by a personal representative. For other paragraphs, the case would either fall away with the death of a claimant or there would be another party who would be equally able to bring the claim.

Government amendments 15 to 18 relate to vetting and barring under section 4 of the Safeguarding Vulnerable Groups Act 2006 and applications relating to disqualification orders under sections 31 and 34 of the Criminal Justice and Court Services Act 2000. The amendments are technical and seek to ensure that funding for advocacy is provided in the relevant tribunal or court for these types of cases. In our consultation paper, "Proposals for the Reform of Legal Aid in England and Wales", we announced our intention to retain civil legal services for section 4 of the Safeguarding Vulnerable Groups Act, which provides for a right of appeal to the upper tribunal against a decision to keep someone on a barred list from regulated activity relating to children or adults. The consultation paper provided that we would continue to fund those types of appeals to the upper tribunal on the basis that inclusion on a list would have a significant and lasting impact on the life and livelihood of an appellant who might have been included on the list in error.

Mr Jim Cunningham (Coventry South) (Lab): Has the Minister made an assessment of the amendments' impact on organisations in Coventry such as the citizens advice bureau and the law centre?

Mr Djanogly: I expect the amendments to be generally well received.

The Bill currently refers to funding for advocacy being available in the first tier tribunal, and amendments 17 and 18 correct that position by making available funding for advocacy for appeals to the upper tribunal. Amendments 15 and 16 serve a similar purpose but in relation to sections 31 and 34 of the Criminal Justice and Court Services Act. Appeals under section 31 are to the Court of Appeal, rather than the first tier tribunal, and funding for advocacy for such appeals is already covered by paragraph 2 of part 3 of schedule 1. Appeals under section 34 are to the High Court, and funding for advocacy for such appeals is already covered by paragraph 3 of part 3 of schedule 1.

[Mr Djanogly]

I now turn to the family and domestic violence amendments, almost all of which have been debated in Committee already. I would like to reiterate why we are taking most private family law cases out of the scope of legal aid. The cost of legal aid, as it stands, is, we believe, simply unsustainable, and legal aid resources need to be focused on those cases where legal aid is most needed. Accordingly, for most divorces, child contact applications or ancillary applications to carve up family assets, legal aid will no longer be available. We believe that it is right to encourage families, where appropriate, to resolve their disputes without going to court. We want to prioritise mediation, which can be cheaper, quicker and less acrimonious than contested court proceedings. Legal aid will, therefore, remain available for mediation in private law family cases, and we estimate that we will spend an extra £10 million a year on mediation, taking the total to £25 million a year.

Sheila Gilmore (Edinburgh East) (Lab): Does the Minister not accept that in many cases where people are separating or divorcing, there is an imbalance of power, whether financial or emotional, and that mediation is simply not suitable for many such cases?

Mr Djanogly: I certainly accept that there will sometimes be an imbalance, and in relation to court proceedings themselves, we are proposing other measures—the ability for a judge to give interim orders, for instance—aimed at redressing that imbalance. However, I also accept the hon. Lady's suggestion that mediation might not be suitable in every case, such as those involving domestic violence. Legal aid will remain available for private family law cases where there is evidence of domestic violence or where a child is at risk of abuse.

Joan Ruddock (Lewisham, Deptford) (Lab): I want briefly to read to the Minister what my constituent Lucy Abell has written to me:

"I work with single parents every day in my job...and know how desperately vulnerable a lot of people are when they are going through an acrimonious separation. The outcomes of children and families are very dependent on what happens during this time, and I find it incredible that the Government thinks these changes will save the government money in the long term."

She works for Gingerbread and sees such people all the time. She is convinced that what the Government are doing will be terribly damaging for children of those single parents.

Mr Djanogly: I am not entirely sure whether the right hon. Lady is talking about all cases of divorce or partners separating, or just those where there is domestic violence. However, I can tell her that in 90% of cases where there is a separating of the ways, the couple will reach an agreement. We are therefore talking about the remaining 10%. What we are saying in terms of policy is that for basic divorce—if divorce can ever be basic—people should not rely on legal aid for carving up the family assets or settling contact issues. However, I want to make it clear that funding for victims of domestic violence who seek a protective order will remain available.

Sir Alan Beith (Berwick-upon-Tweed) (LD): Is it not also important to point out that the family courts have great difficulty dealing with contact issues, many of which are naturally unsuited to such treatment? Frankly, it is not very easy for a court to sort out arguments about whether a child can go to the scout group on a Friday night or whether they have to be with the other parent.

Mr Djanogly: My right hon. Friend makes an important point. I can tell him and other hon. Members that it has become clear to me, from my many meetings over the last year and a half with mediators and lobby groups such as those already mentioned, that in the vast majority of cases the parties are better off sorting out their problems together with the help of the mediator. For the most part, mediation is empowering. In most cases, the best way forward is for people to be able to sort out their own futures and those of their children without being told what to do by a judge, and that is what the Government support.

Kate Green (Stretford and Urmston) (Lab): I want to ask the Minister about cases where domestic abuse or violence per se is not present, but where conflict between the parents none the less makes it simply impossible for mediation to work effectively. In the interests of children, will the Minister consider extending legal aid in those circumstances, so that where a mediator knows that mediation simply could not work, the parents will still receive advice?

Mr Djanogly: The Government have changed the law through a pre-action protocol. The position from this April has been that where a divorce application is made, the parties have to see whether mediation is appropriate, as has been the case with publicly funded divorce cases. That does not, I hasten to add, mean that the parties have to go to mediation; however, they have to be assessed to see whether mediation is appropriate. I can tell the hon. Lady that the initial findings are very positive indeed. We have adequate mediators, with more than 1,000 mediation units around the country, and all are reporting a significant upturn in business, which is a positive outcome.

Kate Green: I agree with the Minister about the desirability of mediation wherever it can work best for all the parties. We would all like appropriate mediation to be used as much as possible in such cases, but will he clarify what he just said? Where a couple is found unsuitable for mediation because of the conflict between them, but where violence or abuse is absent, will they be able to access legal aid?

Mr Djanogly: I am afraid that the hon. Lady misunderstands the nature of mediation. In normal circumstances, it is not for the mediator to sit in judgment on the individuals who turn up for mediation. That happens in the assessment. The mediator should explain to the individuals the purpose of mediation and it is for the individuals themselves to decide whether mediation is appropriate. If violence was involved, the mediator might suggest that, in those circumstances, mediation is not appropriate. If domestic violence is involved, the Government believe that legal aid should be provided.

Mr Jim Cunningham *rose—*

Joan Ruddock *rose—*

Susan Elan Jones (Clwyd South) (Lab) *rose—*

Mr Djanogly: I shall give way one more time on this point—to the hon. Member for Coventry South (Mr Cunningham).

Mr Cunningham: I want to be helpful to the Minister. Can he clarify how the amendments on legal aid would apply, for example, to rape crisis centres such as the one we have in Coventry? I am not too clear about how that will be affected.

Mr Djanogly: The Government are supportive of crisis centres. We have increased our provision for them. The amendments do not in any way affect the issue one way or another. That is a separate policy item.

Joan Ruddock: Will the Minister give way?

Mr Djanogly: I really must make some headway. If the right hon. Lady will give me a few minutes, I might allow her to intervene again.

We will continue to provide civil legal aid where a person is applying for an order for protection against domestic violence, as with a non-molestation order or an occupation order. We will also continue to waive the financial eligibility limits in these cases. We will still spend an estimated £120 million a year on private family law, including on domestic violence, after our proposed changes. This includes funding for about a quarter of the private family law cases that currently receive legal aid to go to court. We expect to continue to fund them where domestic violence or child abuse results from those cases.

Amendments 92 and 23 would put parts of the definition of domestic violence used by the Association of Chief Police Officers on the face of the Bill in paragraph 10 of schedule 1 in place of the existing definition of abuse. Identical amendments were debated in Committee. The existing definition of abuse used in the Bill is a broad and comprehensive one, explicitly not limited to physical violence. It is used elsewhere in paragraph 3 of schedule 1, which provides for legal aid to be available in relation to abuse of a child or vulnerable adult, and paragraph 11, which provides for legal aid to be available for a person seeking an order to protect a child at risk of abuse. Any consideration of the definition in one paragraph should not be undertaken entirely in isolation from the others—lest confusion should result.

Caroline Lucas (Brighton, Pavilion) (Green): Will the Minister explain why a different definition is being used here from that used in other Home Office and Ministry of Justice documents? A lot of concern has arisen among women's organisations that there is an agenda here; we would love to know what that agenda is.

Mr Djanogly: If the hon. Lady will allow me to get on, I will clarify precisely that.

The definition should also be seen in the light of the Bill's structure and the purpose of the paragraph in which it appears. Paragraph 10 reflects the underlying policy of ensuring that a party to private law family proceedings who has been subjected to domestic violence by the other party and is likely to be intimidated or otherwise disadvantaged in presenting his or her case should, as a result, be able to have access to legal aid. It does not provide that any individual who has been the subject of, or who is at risk of being the subject of, abuse as defined in that paragraph will qualify regardless of what evidence of abuse might exist. Not every such individual will be intimidated or otherwise disadvantaged in the way the paragraph is intended to address. It establishes a description of legal services and whether an individual qualifies for those services in any specific case. It requires that an individual not only falls within the category in paragraph 10, but meets the criteria to be established in regulations made under clause 10.

Helen Goodman (Bishop Auckland) (Lab): We raised with the Government a couple of months ago the possibility of seeing the regulations in draft before reaching this Report stage. Many Members feel that that would have aided our consideration of these provisions. Why has the Minister not produced those regulations?

Mr Djanogly: Because the Bill and relevant clauses are still going through the House and still have to go through the other place. The regulations will be produced once the Bill comes into law.

Those criteria will set out the specific requirements on evidence of the fact of abuse or the risk of abuse. The definition of abuse itself is therefore only a preliminary part of the picture. In that sense, it might be argued that it makes little difference whether definition takes one form or another arguably rather similar form. However, we are still not convinced that the definition should be changed in the way suggested in the amendments.

5.15 pm

The definition in the Bill embraces mental as well as physical abuse, neglect, maltreatment and exploitation. Those references would cover, for example, abusive behaviour relating to the family finances. The definition in the Bill would not exclude from scope any of the types of abuse covered by the definition used by the Association of Chief Police Officers, and this part of the amendment is unnecessary. The amendment is, however, also potentially misleading. It would take a definition intended as a very wide operational net to catch behaviour that should not be disregarded and should be investigated —although it may emerge from the investigation that no action is called for—and place it in a context that is inevitably after the fact and directed to the effects of the behaviour in subsequent proceedings.

Mrs Helen Grant (Maidstone and The Weald) (Con): Does the Minister not accept that the fact that the definition is not specific has the potential to create some uncertainty, and that uncertainty, especially at the beginning of court proceedings, will create even more hardship for the victim, which may well lead to litigation in itself? Is it not possible to be more precise, so that people need not worry about what is and what is not acceptable?

Mr Djanogly: I shall be discussing that in a little more detail, but I would answer my hon. Friend's more general point that the definition could make things harder for a court by saying that the court will in any event have to take a view at some point

Mrs Grant *rose—*

Mr Djanogly: If my hon. Friend will let me finish, I will allow her to intervene again later.

The reference to "any incident", for example, might be read as securing legal aid for any person who could point to some sort of incident regardless of whether it was serious or minor, such that the victim would not generally feel inhibited about pursuing litigation against the other party. That would not reflect the underlying intention, nor would it be the effect in practice if the regulations required certain forms of proof. The touchstone for whether a party obtains funding must be whether the abuse was such as to inhibit their ability to present their case against the other party. The circumstances that will be accepted as evidence of the abuse will turn on the application by courts, prosecutors and other agencies of their existing criteria. It is when the courts and others have determined that the level of the abusive conduct is such that protective action or prosecution is necessary that legal aid will be available.

Joan Ruddock: Given that the purpose of all this is to save money, I must assume that the definition in the Bill means that the Minister expects women, or occasionally men, who would formerly have pursued such domestic violence cases not to pursue them, and not to be eligible. Has he made an estimate of the likely reduction in legally funded cases?

Mr Djanogly: I am happy to confirm that this particular definition is not directly related to saving money. It is there because it is a definition that works.

Amendment 23 goes beyond amendment 92 in referring also to the relationship between those involved. It would cover

"intimate partners or family members, regardless of gender or sexuality."

This part of the amendment is superfluous, because it duplicates sub-paragraph 7 of paragraph 10 of the schedule. The sub-paragraph relies on the definition of associated persons in the Family Law Act 1996, which is wide, and covers the relationships set out in the amendment and more.

Amendment 91 also concerns the relationship between those involved. The Bill provides for legal aid to be available to victims of domestic violence for matters

"arising out of a family relationship".

The amendment would change the phrase "family relationship" to "family or other intimate relationship". It is unnecessary for the same reason as amendment 23. Paragraph 10(7) of the schedule defines a family relationship as one between persons who are associated with each other. The definition of "associated persons" in the 1996 Act, on which that paragraph relies, includes two people who

"have or have had an intimate personal relationship with each other which is or was of significant duration".

The wording of the amendment therefore appears to add nothing.

Amendments 103 and 74 both set out a range of forms of evidence that would be accepted as demonstrating domestic violence for the purpose of qualifying for legal aid in private family law cases. Very similar amendments were debated in Committee, and in this case I can say to the right hon. Member for Lewisham, Deptford (Joan Ruddock) that there would be economic consequences. We want genuine victims of domestic violence to have the benefit of legal aid in such cases, when they would be disadvantaged by facing their abuser as the other party. However, during consultation we have heard many concerns that the proposal in the amendments could lead to a rise in unfounded allegations, and we want to guard against that.

Susan Elan Jones: Organisations such as the National Federation of Women's Institutes and Women's Aid declare that they are very concerned about the Government's proposals, so why does the Minister think he is right and they are wrong?

Mr Djanogly: Because I and the Government consulted at some length on the proposals and received a lot of positive responses. As a result of that consultation we broadened the definition concerned, so we have listened. Indeed, we have tabled a further amendment today in relation to immigrants to broaden it even further.

Mr Andy Slaughter (Hammersmith) (Lab): I hope the Minister accepts that, although amendment 74 and other amendments would enlarge the evidential tests, they would still require a degree of evidence to be given. That evidence may not come from such limited places as he wants, but it may be from GPs or women's refuges. Yet he is saying that he cannot accept such evidence, because it would be part of "unfounded allegations". Is he suggesting that those organisations collude in false allegations?

Mr Djanogly: The hon. Gentleman makes a frankly ridiculous comment. He mentioned GPs, and of course a GP is qualified to tell whether someone has been subject to violence. However, they are not always well qualified to tell whether someone has been subject to domestic violence, because they may not have seen the circumstances in the home and may be looking only at the injury of the party coming to their surgery. The Government are looking for objective evidence.

Mr Slaughter: I would like the Minister to respond to my question. As the tests in question are evidential tests, not subjective or self-referred, does that support his point about false allegations? Evidence from GPs is commonly used to support cases in criminal trials, including sometimes when a woman is unwilling to give evidence herself because she is intimidated or in fear.

Mr Djanogly: The hon. Gentleman makes the exact point that I would have made in response to him. Evidence is used in a trial, but the GP does not make the decision, he gives evidence. We see the trial as being the objective evidence, and that is what we suggest in the Bill.

Mr Robert Buckland (South Swindon) (Con): My hon. Friend makes proper points about the need for courts to make findings of fact. Does he accept, however, that there is a potential problem with regard to undertakings? In proceedings in which undertakings could be a way of sorting out the problem satisfactorily, those advising the parties involved could prejudice their clients' ability to obtain legal aid in future if domestic

violence rears its ugly head again. Will he look again at how we can manage those circumstances so that people are not put in that potentially prejudicial situation?

Mr Djanogly: I am happy to consider the particular circumstances that my hon. Friend mentions on the subject of undertakings, but again we are talking about a situation that does not involve an objective test. It would be down to the word of the two people making the undertaking. In certain circumstances that may be correct, but in others it may not.

Sandra Osborne (Ayr, Carrick and Cumnock) (Lab): I worked with Women's Aid for 16 years, and the Minister is taking us back decades by perpetrating myths about domestic violence that we thought we had seen the end of 30 years ago. Does he not understand that women who are subjected to domestic violence are, by definition, captive victims and there is no one else in the room? To say that they are not going to be believed is taking us back decades. Will he look at this again?

Mr Djanogly: Everything the Government have said, and every action we have taken, shows that we take domestic violence extremely seriously. To some extent, the hon. Lady and other hon. Members are approaching this issue from the wrong direction in that they begin by addressing domestic violence, but that is not the right starting point. The starting point for the Government is that we are removing legal aid for private family law, but we are keeping it for domestic violence, as that is of the utmost concern to us. My point, however, is that we need to have objective evidence of domestic violence so that we target taxpayers' money on genuine cases where the victim needs assistance because they are intimidated or otherwise disadvantaged by the fact of facing the abuser in the proceedings.

Sheila Gilmore: Will the Minister give way?

Mr Djanogly: I shall make a little more progress first.

The forms of evidence that will be accepted for this purpose are not set out in the Bill. Instead, they will be set out in regulations under clause 10. We believe it is appropriate to set out these detailed provisions in secondary, rather than primary, legislation as it can be amended to respond to particular issues that may arise during the operation of the scheme.

In the consultation, we suggested what might be the forms of evidence of domestic violence, and we listened to the views expressed on that in response. As a result, we have widened the range of forms of evidence, and, furthermore, only one of the forms of evidence would be needed. Legal aid will be available for victims of domestic violence in private family law cases where one of the following criteria is met: where a non-molestation order, occupation order, forced marriage protection order or other protective injunction against the other party is in place or has been made in the last 12 months; there is a criminal conviction for a domestic violence offence committed by the other party against the applicant for funding, unless the conviction is spent; there are ongoing criminal proceedings against the other party for a domestic violence offence by that party against the applicant for funding; the applicant for funding has been referred to a multi-agency risk assessment conference as a high-risk victim of domestic violence, and a plan has been put in place to protect them from violence by the other party; there has been a finding of fact in the family courts of domestic violence by the other party, giving rise to a risk of harm to the victim.

Kate Green: Will the fact that there is, for example, a non-molestation order be taken as evidence of suitability for legal aid in family proceedings, and will legal aid be available to enable a victim of domestic violence to get such an order?

Mr Djanogly: Yes, it will be. The hon. Lady makes a very important point, which has come up in consultation and has often been misconstrued. For such individuals, legal aid will be provided for the application for a non-molestation order, for example.

It might be helpful if I give an idea of the prevalence of these forms of evidence. About 24,100 domestic violence orders were made in 2010, about 74,000 domestic violence crimes were prosecuted in 2009-10 and there were 53,000 domestic violence convictions. Further, about 43,000 victims of domestic violence were referred to multi-agency risk assessment conferences in the 12 months to June 2010.

Helen Goodman: Surely the Minister can see that there is a 21,000 gap between the numbers of those prosecuted and those convicted? Surely he is also aware that the Crown Prosecution Service goes ahead with prosecutions only when there is a reasonable expectation of success in the case? Surely, therefore, he can see that we are not dancing on the head of a pin, as we are talking about 21,000 women every year?

Mr Djanogly: Those numbers may overlap to some extent; in other words, someone might not have been prosecuted as there may have been a civil injunction, or perhaps a multi-agency risk assessment conference made the decision.

The forms of evidence we intend to accept will meet a high standard of objectivity. We are concerned that many of the additional forms of evidence suggested in the amendments would rely on the word of those involved and would provide an incentive for allegations where none currently exists. Let me make it clear that I am not questioning the integrity of genuine victims. However, during the legal aid consultation many people were concerned about providing an incentive for unfounded allegations, and the Government share that concern.

5.30 pm

Mrs Grant: Post-separation violence is very common in domestic violence cases. I am concerned that there is a 12-month time limit on the gateway criteria for family law matters, which means that if the violence occurs after that period many highly vulnerable women and children could fall through the net.

Mr Djanogly: That relates to amendment 74. I am going to deal with it and I am sure that my hon. Friend will be pleased with the answer I will give her.

Accepting self-reporting without objective evidence would prevent us from effectively focusing assistance on victims of domestic violence who were unable effectively

[Mr Djanogly]

to present their case against the other party because of the history or risk of abuse by that party. Both amendments refer to evidence from professionals in a variety of roles. I explained that we have widened our criteria so that legal aid will be available where the victim has been referred to a multi-agency risk-assessment conference as a high-risk victim of domestic violence and a plan has been put in place to protect them from violence by the other party. Such referrals can be made by a range of professionals. Furthermore, a finding of fact in the family courts that domestic violence has occurred will trigger legal aid, and a court will be able to assess any relevant evidence.

Amendment 74, to which my hon. Friend referred, would prevent a time limit from applying to any evidence. We have said that a 12-month period, where relevant, will apply. We consider that 12 months will be an appropriate period to protect victims and to enable them to deal with their private family law issues. However, if the criteria were to arise again—for instance, if a second protective injunction is made—the time period would start again. It is also important to remember that legal aid will remain available for exceptional out-of-scope cases where the failure to provide such funding would amount to the breach of an individual's rights under the European convention on human rights, particularly article 6.

Sheila Gilmore: Will the Minister explain how the individual achieves the finding of fact in a family court in order to trigger legal aid if they cannot get legal aid to take proceedings in a family court?

Mr Djanogly: The answer is that they can get legal aid to take those proceedings.

Amendment 93 would provide for legal aid to be available for any party in a private family law case who has been the subject of allegations of domestic violence or the risk of domestic violence. We debated an identical amendment in Committee. In considering whether alleged perpetrators should receive legal aid in these cases it is important to remember that we are seeking to protect the most vulnerable in society. Alleged perpetrators would not necessarily fall into that category in the way a victim of abuse would. Furthermore, allegations would not meet the test of clear, objective evidence that would otherwise apply in these cases. Accepting such an amendment would be likely to cost tens of millions of pounds in savings, without achieving the objective of targeting legal aid on those most in need.

I turn to the other amendments relating to private law children cases, such as disputes about custody, where a child is at risk of abuse. These are amendments to paragraph 11 of schedule 1, which provides for legal aid to be available in such cases for the party seeking to protect the child, where there is objective evidence of the risk of abuse. Again, identical or near-identical versions of the amendments were discussed in Committee.

Amendment 96 would provide for applications for financial provision for children to be in scope for legal aid where the child is the subject of one or more of the measures listed in sub-paragraph 11 (1) of schedule 1. The list of orders in that sub-paragraph is intended to cover orders and procedures used to secure protection, and it includes orders under section 8 of the Children Act 1989, which may be used in that way, including contact and residence orders. The effect of amendment 96 would be that applications for maintenance or other financial provision for a child would be in scope whenever a contact or residence order has been made in relation to that child, regardless of any need for protection. The original legal aid proposals were silent on the issue of children at risk of abuse in private law children cases.

We have listened to the concerns raised during the consultation on this point. For example, one party might be seeking an order to bar an abuser from unsupervised contact with a child. We agree that child protection is of paramount importance and we recognise that it would be difficult for the protective party to act in person in cases of potential complexity and heightened risk to the child requiring prompt and clear action. This is a separate rationale to a situation in which the adult has been subject to abuse such that he or she cannot be expected to represent themselves against their abuser.

We do not consider that cases concerning financial provision are of equal priority and nor do they raise the same issues. Financial matters are of lower objective importance than child protection and we would not expect the protecting party to encounter the same level of complexity—still less risk—or need for urgent protective action in a case about financial provision. Furthermore, the person presenting the risk of abuse might not be the other party in the financial provision proceedings. Although protecting a child from abuse is clearly of high importance, it is not appropriate that in a case for financial provision, which is a separate matter from the consideration of protective measures, a distinction should be drawn between maintenance for children considered at risk of abuse and maintenance for other children.

Amendment 97 would bring into the scope of legal aid the entirety of any proceedings in which the court was considering whether to direct the local authority to investigate the circumstances of the child. Under section 37 of the Children Act 1989, the court may make such direction if it appears that it might be appropriate for a care or supervision order to be made. The amendment appears to be unnecessary and, in any event, goes too far. Under paragraph 1 of the schedule, legal aid will be available for public family law cases such as care and supervision proceedings, as at present. We believe that the state should ensure that families are able to challenge decisions made by public authorities about the provision of care for children.

Directions under section 37 of the 1989 Act are considered to be public family law matters for legal aid purposes because they relate to care and supervision orders under paragraph 1(1)(b) of schedule 1. Funding is therefore available in relation to section 37 issues. There is no reason, in principle, why a case could not be adjourned briefly in such a situation to allow the parties to seek a legal aid lawyer for the section 37 issue if that were warranted. Providers are able to use devolved powers to grant immediate funding in emergency situations, subject to means and merits-testing.

Amendment 98 also references section 37 directions and would bring into scope any private family law proceedings that involve a child in respect of whom a direction under section 37 of the 1989 Act had been given, regardless of the outcome of that section 37 investigation. That is a broad proposition that I do not think can be justified.

Geraint Davies (Swansea West) (Lab/Co-op): May I ask why the Minister is discussing amendments that have not been selected by the Speaker? He seems to be referring to amendments 98 and 97.

Mr Djanogly: Amendments 94 to 102 have been selected.

Under amendment 98, a section 37 direction, regardless of the outcome of the investigation, would trigger funding for all parties in any private law family proceedings in which the child was involved. A section 37 order in itself does not mean that the child is at risk of abuse. The local authority staff could conclude, once they had completed their investigation, that the child was not at risk and that no further action was needed. If the local authority concluded that action was needed, it would put a child protection plan in place. As I have said, legal aid will be available in private law children cases in which a child is at risk of abuse for a party seeking to protect the child where there is objective evidence of the risk of abuse. A child protection plan will be accepted as objective evidence in criteria that will be set out in regulations under clause 10. That means that if a local authority put such a plan in place, that would trigger funding for the party seeking to protect the child.

Providing for legal aid to be available for any family proceedings involving the child, as amendment 98 would do, would mean that legal aid would not be targeted on proceedings about protection of the child, but could be available for proceedings that might not concern protection at all. For example, a case about financial relief for the parents could be covered if an application were made for financial relief for the child. Given that the words "involving a child" do not give much indication of how closely the child needs to be concerned, it might even be that a case between the parents about a matter that did not directly concern the child was included.

Amendment 98 would also provide for legal aid to be available for all parties to the proceedings. We intend to target funding on the protecting party. Where a party is not the person taking action to protect a child from abuse, the same level of importance and risk would not apply.

Amendments 94 and 95 would also widen the availability of legal aid under paragraph 11 beyond the parties seeking to protect the child. That would mean that legal aid would be available for the other party in private law children cases where a child is at risk of abuse. As I have explained, we decided to keep those cases in scope for the protecting party because protecting children from abuse is paramount. Where a party is not the person taking action to protect a child from abuse, the same level of importance and risk would not apply.

The tests we wish to use to determine the availability of legal aid in these cases are designed to be as objective as possible and to minimise the risk of false allegations. The tests are: where there is a criminal conviction or ongoing criminal proceedings for a child abuse offence; where a local authority has put a child protection plan in place to protect the child; or where there is a relevant finding of fact by the family courts that child abuse has occurred. They will provide clear and objective evidence of the risk of abuse. However, if the particular facts of an individual case mean that failure to provide legal aid for both parties would be likely to result in a breach of the individual's rights under the Human Rights Act or European Union law, exceptional funding would be available.

I turn now to amendments 99 to 102, which seek to retain legal aid provision for all parties in private family cases where the court has made a child a party to proceedings. Identical amendments were debated in Committee. The Government intend to retain legal aid for a child who is a party in these circumstances. However, as we made clear in Committee, we do not accept that, where a child requires representation, adult family members should as a matter of routine also be given legal aid. There are a variety of reasons for a child to be a party, and not all will involve the complexity of a case. In cases where a child is represented, it does not follow that the case will necessarily be so complex or that the child's involvement will render the case so complex or difficult as to require representation for all parties.

By their nature, some of the cases will be complex, and we recognise that in some circumstances people will be unable to represent themselves, but we think that those cases will be the exception. The exceptional funding arrangements will ensure that legal aid will be available where required. A failure to provide legal aid in cases where people genuinely could not represent themselves would be likely to breach an individual's right to legal aid under the Human Rights Act or EU law.

I turn now to the immigration amendments, which include technical Government amendments, Government and Opposition amendments relating to domestic violence immigration cases and other amendments seeking to widen the scope of legal aid for refugee family reunion matters and immigration judicial review cases. Government amendments 61 and 62 will amend paragraph 25(1) of part 1 of schedule 1 to correct an omission in the meaning of asylum in the Bill. That will ensure that persons who make a claim to enter or remain in the UK based on the EU qualification directive are eligible for legal aid. Government amendment 60 will make a similar change to paragraph 25 to cover claims based on article 2 of the European convention on human rights, which sets out the right to life. Although most claims for asylum will be made on the basis of the 1951 refugee convention or article 3 of the European convention on human rights, the amendment will allow funding for cases involving execution and the death penalty; serious and individual threat to a civilian's life or person by reason of indiscriminate violence in situations of international or internal armed conflict; and unlawful killing.

Government amendments 55 to 58 clarify the wording of paragraph 17(7) of part 1 of schedule 1 with regard to the exceptions from scope to the exclusion of certain types of immigration judicial review proceedings. Amendments 55 and 56 will amend paragraph 17(7)(a) to clarify that the exception applies only to a judicial review of a negative decision in relation to an asylum application where there is no right of appeal to the first-tier tribunal against the decision. Amendments 57 and 58 will amend the exception in paragraph 17(7)(b) to add a reference to section 94 of the Nationality, Immigration and Asylum Act 2002. Section 94 allows the Secretary of State to issue a certificate on a number of different grounds, for example when an asylum claim is clearly unfounded. The certificate prevents an appeal to the first-tier tribunal being brought while an individual is in the UK. The amendments clarify the position and ensure that the policy is given effect.

[Mr Djanogly]

Amendment 83 seeks to maintain within legal aid civil funding certain immigration judicial review cases that are very likely to be without merit. We debated an identical proposition in Committee. These are cases that either have already had a hearing on the same, or substantially the same, issue within a period of one year, or are judicial reviews of removal directions where there is less than one year between the giving of the direction and determination of the decision to remove. In response to our legal aid consultation, the Judges Council highlighted the large number of immigration judicial reviews that were without merit and, in effect, clog up the system. Only a minority of those would receive legal aid. As we made clear in Committee, the Government's view is that it is wrong in principle for such cases to remain within the scope of funding.

5.45 pm

The first category of case that we intend to remove from the scope of funding is one in which there has already been at least one appeal before the tribunal, or another judicial review within the last year, on the same or substantially the same issue. Judges in immigration judicial reviews too often see attempts to litigate on the same points again and again, essentially to string out the removals process, and we do not think that taxpayer funding should be available in such instances.

The second category relates to judicial reviews of removal directions, rather than the underlying direct decision. Such proceedings are often brought at the last minute, sometimes as people are literally being put on a plane, and again they are essentially designed to frustrate the removals process. Similarly, we do not think that the UK taxpayer should be asked to foot the bill for such claims.

There will of course be some genuine although unusual cases in those categories, and they would still in principle warrant legal aid. That is why we have made exceptions to our proposed exclusions, and they take into account principally the potential for changes in an individual's circumstances over time.

In both categories, the exclusion would be subject to a one-year time limit. Judicial reviews of a refusal by the Secretary of State to treat a claim for asylum as a fresh claim—one with new facts or circumstances—would also be retained by making sure that when there was a possibility that there had not already been an opportunity for appeal, legal aid for judicial review would still be available, subject to the normal means and merits test.

As we said in Committee, we are retaining legal aid for most judicial reviews, immigration or otherwise. We accept that an individual's ability to hold the state to account is an important principle, but when it has been abused, combined with the need to target resources effectively, we think that removing legal aid from those discrete categories of cases is justified, especially with the safeguards that I have set out.

Michael Connarty (Linlithgow and East Falkirk) (Lab): In the analysis of the evidence of the number of cases that actually had used judicial review to have another review that then turned out to be supported in the courts, does the Minister have actual figures to justify his blanket removal?

Mr Djanogly: We do have figures, but I do not happen to have them with me. I will write to the hon. Gentleman with figures. Most judicial review cases are funded privately rather than through legal aid, however, and I say that because I have seen the figures, and one needs to know that to understand them.

Government amendment 59 would amend part 1 of schedule 1 to bring domestic violence immigration rule cases into the scope of legal aid, as I announced to the Public Bill Committee on 19 July.

Government amendment 63 would amend part 3 of schedule 1 to ensure that civil legal aid was available for the advocacy of such cases in the first-tier tribunal. Advocacy will also be available in the upper tribunal by virtue of paragraph 14 of part 3.

Under the domestic violence immigration rule, someone on a spousal visa, which is valid for a limited period of time, and whose relationship has permanently broken down as a result of domestic violence, can apply for indefinite leave to remain in the United Kingdom. As I said in Committee, we accept that these cases are very unusual and different from other immigration cases, given the real risk that without legal aid spouses will stay trapped in abusive relationships for fear of jeopardising their immigration status. The trauma that they may have suffered will often make it very difficult to cope with that type of application, and they are also under time pressure, because they have only limited access to public funds to avoid destitution, so for those reasons we seek to make these amendments to schedule 1.

Amendment 113 adopts the same wording as the Government amendment I have just discussed, but with two differences—one that I am happy to look at further, and one that I think is unnecessary. First, the amendment would include within the scope of funding, civil legal services provided to an individual in relation to a claim by the individual to a right to reside in the United Kingdom, as well as an application for indefinite leave, when their relationship had broken down permanently as a result of domestic violence. EEA nationals and their spouses or partners, if from a third country, have a long-term right to reside in the UK if they are economically active or able to support themselves without becoming an unreasonable burden on public funds.

The Immigration (European Economic Area) Regulations 2006 make provision for third country nationals in such relationships to remain in the UK—that is, their right to reside can continue—if their relationship breaks down as a result of domestic violence. The application is different for those people who apply under the domestic violence immigration rule for indefinite leave to remain. The rules that apply are different. However, I am sure that the hon. Member for Hammersmith (Mr Slaughter) will be pleased to hear that we are looking further at such cases.

Amendment 113 seeks to replace the definition of abuse adopted in the Government amendment and used elsewhere in part 1 of schedule 1 to the Bill with the definition of domestic violence used by the Association of Chief Police Officers. The existing definition of abuse used in the Bill is a broad and comprehensive one, explicitly not limited to physical violence, and it would cover mental as well as physical abuse, neglect, maltreatment and exploitation. Indeed, it would not exclude from scope any of the types of abuse covered by the definition used by ACPO. Furthermore, the proposed definition

of abuse would cover intimate partners or family members, regardless of gender and sexuality. That part of the amendment is superfluous, as the proposed Government amendment relies on the definition of associated persons in the Family Law Act 1996, which is a wide one that would cover the relationships set out in the amendment, and more. The second change proposed in amendment 113 is therefore unnecessary, but we will look at the first. I hope that hon. Members will be reassured by that.

Amendment 145 seeks to bring family reunion cases back into the scope of legal aid, at a cost of about £5 million a year. Those cases involve a person who has been granted asylum or refugee status and who sponsors the applications of their immediate family to join them. They are immigration applications, rather than asylum ones, and they are generally straightforward. The UK Border Agency guidance on these cases sets out the presumption of the granting of an application if the relevant criteria are met. The evidence required, such as marriage and birth certificates, should not require legal assistance to collate. The entry clearance officer may, on occasion, ask for DNA testing to prove the family relationship, but that testing would be free of charge to the applicant. These cases should not require specialist legal advice, and it is not therefore necessary for them to remain within the scope of civil legal aid.

Simon Hughes (Bermondsey and Old Southwark) (LD): My office handles a lot of asylum and immigration cases, and of course some of them are entirely straightforward, as the Minister has suggested. Does he accept, however, that some family reunion cases are definitely not straightforward? They might involve a child being in a different country from the mother, or someone not having a passport. There could also be real issues involved in proving the relationship. Will he look again at the opportunity for some cases—I am not arguing for the generality—to be eligible for legal assistance?

Mr Djanogly: I certainly agree with my right hon. Friend that some immigration cases are complex, and I think that the point that he has raised is one for me to look at after today. I will do so, and I will come back to him on that.

On the basis of everything that I have just set out, I therefore urge the House to support Government amendments 10, 11, 13 to 18 and 55 to 63. I also hope that right hon. and hon. Members will be reassured by what I have said about the other amendments.

Mr Slaughter: I shall try to be a little briefer than the Minister—[Hon. Members: "Hear, hear!"] I was about to say that I was going to make some preliminary remarks, but the last time I did that they went on for three hours. I shall address my comments almost exclusively to amendment 74, which stands in my name. The Opposition also fully support amendment 23, tabled by the hon. Member for Brighton, Pavilion (Caroline Lucas), which deals with the related matter of domestic violence. I give notice that we hope to press amendment 74 to a vote later this evening.

The Minister was slightly dismissive when he said that a number of the amendments on domestic violence had been dealt with in similar terms in Committee. They were indeed, and they were dealt with in some of the Committee's most heated sittings. He has again shown a rather dismissive manner today, although Labour Members gave him a very clear expression of what they think of the Government's attitude in the Bill to domestic violence. Perhaps he needs to get out more to see what is happening in the real world.

At 1 o'clock today, for example, the Minister could have attended the launch in Committee Room 8 of "Legal Aid is a Lifeline", in which women speak out on the legal aid reforms. This report on domestic violence was produced jointly by the National Federation of Women's Institutes and Justice for All. He could have heard the stark, moving testimony of women such as Jenny Broomfield and Sam Taylor, who were—let us make no bones about it—the victims of attempted murder by violent partners who, in at least one case, continued to stalk and pursue them for many years. They find quite abhorrent the Government's attempt to restrict the criteria to 12 months, which amendment 74 seeks to change, and to restrict the terms of domestic violence. Those women relied on legal aid, in its current form, to get residence for their children, to find a safe place to live and to obtain a separation from their violent partners. They believe that, without it, their plight today would be much worse than it is.

Earlier this afternoon, the Housing Minister launched a very good report by St Mungo's entitled "Battered, broken, bereft", one of the leading findings of which was that 35% of women who have slept rough left home to escape domestic violence. It shows double standards and hypocrisy for the Government to cut provisions to tackle domestic violence on the same day in the Commons Chamber. I urge the Minister to listen to voices such as that of the Mayor of London, whose briefing for this debate states:

> "The Mayor would like assurances that women who have experienced domestic violence will not be barred from legal aid due to their having a lack of evidence."

I would also like the Minister to listen to organisations such as Gingerbread, which states:

> "Many individuals experiencing violence do not report that violence to the police or seek an injunction via the family courts. This is for a variety of reasons, including lack of faith in the justice system and fear that instigating proceedings would escalate violence. The evidential criteria in the Bill do not reflect the pathways that victims of domestic violence take to find help and support. The eligibility criteria must be broadened to include other forms of evidence such as evidence from a specialist domestic violence support organisation, health or social services."

Those are the voices that the Minister should be listening to, as well as those that he hears in the Chamber today. So far, he has not done so.

Joan Ruddock: Is my hon. Friend aware that many victims of domestic violence have a great sense of shame, and feel that they cannot reveal through a legal procedure and third parties what is happening to them? None the less, they want to take legal action to get out of the relationship, but they might be so demoralised, afraid and intimidated that they cannot do so without proper assistance.

Mr Slaughter: My right hon. Friend is right. Only 40% of women who suffer domestic violence report it at all, and many go for years without reporting it. They certainly do not have the wherewithal to report it when they are imprisoned not only by violent relationships but by economic circumstances and by having to care

[Mr Slaughter]

for their children. That is what I meant when I said that the Minister does not live in the same world as those victims.

Lyn Brown (West Ham) (Lab): I have here a report from a local newspaper. Kay Atwal, a reporter on the *Newham Recorder,* describes the lives of women she has met, saying:

"Your mail is opened by your in-laws, you can't call your family or friends and you are not allowed out of the house. Your days are an endless round of cooking, cleaning and clearing up punctuated by threats and criticisms. And hanging over you is the constant fear that you could be deported from Britain if your husband divorces you."

Does my hon. Friend agree that women such as those could well be affected by the changes that the Government are making today?

Mr Slaughter: We all have similar cases in our constituencies, and I am sure that the Minister must have, too. Those are the people to whom he should be listening.

Kate Green: Does my hon. Friend agree that women who are particularly fearful will not go to formal sources of support such as the police, and that, when they do pluck up the courage to go for advice, they are much more likely to go to a women's agency or a domestic violence specialist? Does he agree that it is regrettable that the Minister is not prepared to take evidence from such bodies?

6 pm

Mr Slaughter: I will come to that later in my speech, but it was exactly the point that I tried unsuccessfully, as so often, to raise with the Minister in my intervention. In the amendments, we accept the evidential basis, but we are seeking to broaden it to include exactly the sort of organisations that my hon. Friend mentioned. Last time I checked, at least 21 right hon. and hon. Friends supported amendment 74, some of whom wish to speak in the debate, and we have other important debates this evening, so I will try to keep my comments relatively brief.

According to the Home Secretary's November 2010 publication, "Call to end violence against women and girls", 1 million women a year experience domestic abuse in Britain. When those women make the decision to leave their abusive partners, often quite suddenly, they need care and expert legal help to escape safely and, if they have children, to ensure their safety too. For more than 60 years, family legal aid has provided that expert legal assistance, helping millions of people, mainly women, to escape violent, abusive and sometimes life-threatening relationships.

In November last year, the Government announced consultation on their plans to reform legal aid. As the Minister said, they plan to take family law out of the scope of legal aid, except when domestic abuse has occurred, but reason that making domestic violence the "gateway" to legal aid will also create an incentive for false claims of domestic violence. So they proposed a limited range of objective proof of domestic violence that would need to be presented before legal aid was granted.

Five thousands groups and individuals responded to the Government's consultation, and almost all were opposed. As a result, on Second Reading, the Secretary of State announced a partial U-turn, adding to his list of evidential criteria. In the revised list, legal aid will be granted when a victim has obtained a civil injunction or criminal conviction against her abuser. We welcome that additional criterion, but fear that it is insufficient. Research has shown that, whereas more than half of women have suffered some form of domestic abuse during their lifetime, only a minority ever apply for injunctive release or report the abuse to the police. Women who, for whatever reason, do not want to go through legal proceedings, whether because of fear or simply because they are unwilling to relive the abuse again and again during the judicial process, will be disfranchised by the Government's plans.

Legal aid will be granted when a victim has been referred to a multi-agency risk assessment conference—a MARAC—as the Minister confirmed today, or domestic violence must have been established as fact in the family courts. MARACs are a great success, but they are typically used for very serious cases. The final criteria that the Government allow are especially perverse, given that legal aid will not be available to obtain a finding of fact in the family courts. The Minister may say that that is not the case, but that is what the Bill seems to say. As such, the Government's plans to remove family legal aid, except when a narrow and onerous range of objective proof is present, will place thousands of vulnerable women at considerable risk. That is why women's groups, practitioners and the Opposition continue to harbour deep concern.

Labour's amendment seeks to widen the evidential criteria of domestic violence to ensure that as many victims as possible receive help, while retaining the Government's decision to limit private family legal aid to victims of domestic abuse. In doing so, we have tried to come to a joined-up, comprehensive view of the evidential criteria for domestic abuse that already exist in various Departments. The Government's statement of intent, "Call to end violence against women and girls", recognises that violence against women requires a focused and robust cross-government approach, underpinned by a single agreed definition. The Opposition entirely agree, as do the courts.

The recent Supreme Court case, Yemshaw *v.* London Borough of Hounslow, reinforced the courts' view that there is but one definition of domestic abuse, and the Association of Chief Police Officers has promulgated that definition. The evidential criteria for domestic abuse are not currently set out in the Bill, but they are set out in the response to consultation. The Government plan to promulgate the evidential criteria by order, which is why I fear that the amendment of the hon. Member for Brighton, Pavilion (Caroline Lucas) is insufficient by itself. We entirely support her amendment, but mine would go further in placing the evidential criteria into primary legislation.

The criteria in my amendment are an amalgamation of the objective criteria for ascertaining whether domestic violence has occurred from the Government's response to consultation and the UK Border Agency's criteria used in immigration cases. The amendment would do nothing more than unify best practice across government by ensuring that we have one singular evidential definition

of domestic violence, much as the hon. Lady's amendment would ensure that we have one singular descriptive definition of domestic violence.

The sort of evidence that my amendment would allow is as follows:

"a relevant court conviction or police caution...a relevant court order (including without notice, ex parte, interim or final orders) including a non-molestation order, occupation order, forced marriage protection order or other protective injunction...evidence of relevant criminal proceedings for an offence concerning domestic violence or a police report confirming attendance at an incident resulting from domestic violence...evidence that a victim has been referred to a Multi-Agency Risk Assessment Conference (as a high-risk victim of domestic violence) and a plan has been put in place to protect that victim from violence by the other party...a finding of fact in the family courts of domestic violence by the other party giving rise to the risk of harm to the victim".

I suspect that, so far, the Government are broadly with us, but what I sought from the Minister and did not obtain, is the reason the following evidential criteria are inappropriate:

"a medical report from a doctor at a UK hospital confirming that the applicant has injuries consistent with being a victim of domestic violence, such injuries not being limited to physical injuries...a letter from a General Medical Council registered general practitioner confirming that he or she has examined the applicant and is satisfied that the applicant has injuries consistent with those of a victim of domestic violence...an undertaking"—

the hon. Member for South Swindon (Mr Buckland) is not in his place, but he raised this point—

"given to a court that the perpetrator of the abuse will not approach the applicant who is the victim of the abuse".

I hope that the Minister has read the Law Society's comments—he may be familiar with practice in the family courts—that many more matters are dealt with by way of undertaking than by way of trial process. Excluding undertakings from his criteria makes it not only logistically more difficult, but almost certain that the trial process, with all the inherent difficulties of inflaming the situation, will be the norm rather than the exception.

Mrs Grant: On a point of clarification concerning the undertaking, which my hon. Friend the Member for South Swindon (Mr Buckland) raised, an undertaking is a legally binding document. It is signed by the parties and usually sealed by the court. It is a solemn promise that is given to the judge. If it is breached, the person who breaches the order can commit on it, so it is specific and clear, and eminently acceptable in my opinion to be part of the criteria. Having been a domestic violence and family lawyer for the past 23 years, I am worried that the exclusion of undertakings from the criteria will create a perverse incentive not to dispose of a matter at the earliest opportunity, but to continue with the litigation from fear that further problems may come out of the woodwork, which, as family lawyers, we believe are coming in the future. I ask my hon. Friend the Minister to reconsider that.

Mr Slaughter: If he wishes, I will give the Minister the opportunity to intervene on me, and to reply to the hon. Lady, or he may wish to deal with the matter subsequently. I have nothing like her experience, but I have had the experience many hundreds of times of explaining undertakings and their seriousness to clients. She is absolutely right. In law, there are clear differences, but in practice the effect of an undertaking is the same in relation to perpetrators as the outcome of a trial in terms of the penalties available against them. Excluding undertakings is a huge and glaring omission from the Bill.

The other criteria are

"a letter from a social services department confirming its involvement in connection with domestic violence...a letter of support or a report from a domestic violence support organisation...or...other well-founded documentary evidence of abuse (such as from a counsellor, midwife, school or witnesses."

Ben Gummer (Ipswich) (Con): On paragraph (j) of the hon. Gentleman's amendment, I can see where he is heading, but would that require a state registry of domestic violence organisations to exist so that they could be validated in order to put in a claim legitimately?

Mr Slaughter: I think the hon. Gentleman is trying to be helpful, but he is over-complicating matters. He is also missing the central point, which is that our issue is not, as the Mayor of London's appears to be, with self-referral or with the Minister's point about false claims, but with the scope for evidential support. We believe that organisations, whether they be medical or domestic violence organisations should be sufficient to be regarded as evidence, just as they often are in trial processes.

Ben Gummer: I am genuinely trying to helpful, though I know that the hon. Gentleman might find that difficult to believe. All his other examples—general practitioners, hospital doctors, undertakings from a court, social services departments—are instruments of the state, as it were. I would be happy for many organisations in my constituency that support women in a domestic violence situation to give evidence to a court, but that does not mean that all organisations that claim to speak for women should be able to do so.

Mr Slaughter: The hon. Gentleman is being a little pernickety. It is a practical reality that in many cases voluntary organisations, which have vast experience of supporting women, will be providing that support, not only in an emotional and a practical sense but in an evidential sense.

Sandra Osborne: Does my hon. Friend agree that many women go backwards and forwards to the likes of Women's Aid time and again and do not disclose it to anyone else—including, often, their GP—and that had it not been for such organisations, the problem would not have been addressed as it has, although it has been totally undermined, as an assessment of a societal problem, by what the Government are doing today?

Mr Slaughter: I am grateful to my hon. Friend for sharing her experience.

Contrary to the Government's guidance, the amendment would not limit the time since which such evidence was generated to a year. I am not seeking to derail the Government's intent but merely to ensure that they live up to their own aspirations—to utilise a single agreed definition of domestic violence and to ensure that those who suffer domestic violence get access to requisite public services. This ought to be uncontroversial, yet the Government have so far resisted our submissions on all points. This is the last opportunity for this House to

[Mr Slaughter]

make a difference on the Bill. This is critical if we are to protect women—it is mainly women—who are victims of domestic violence.

It is not just me who is saying this. The Women's Institute is demanding changes, as are Rights for Women, End Violence Against Women, and some Government Members. In Committee, Members were whipped—some unwillingly, I am told—to vote against these amendments. I am sorry that the hon. Member for Broxtowe (Anna Soubry) is not in her place, because after the Committee she told the press:

"We're not happy about the changes in legal aid...we're fearful they will affect women who are separating from husbands. We've identified that as a problem."

She is right about that. I ask her and the hon. Member for South Swindon, and other Members who have genuine concerns about this—I am sure that that goes for Liberal Democrat Members as well—to join me and my right hon. and hon. Friends in the Lobby later this evening, when will we have a chance to vote for a practical, joined-up, consensus-based solution on domestic violence

6.15 pm

Tom Brake (Carshalton and Wallington) (LD): In Committee, our debates on domestic violence were among the most heated, because of the seriousness of that offence. In my own borough, 40% of violent offences relate to domestic violence. I know that the Minister is aware of the difficulties that arise for women who are experiencing domestic violence—admitting that it is taking place in the first place, giving evidence, and so on—and I am sure that he appreciates the challenges that they face. I know that he will have looked carefully at amendment 74, tabled by the Opposition, which seeks to widen the definition of domestic violence.

I should like briefly to speak to amendment 23, to which I have added my name. My hon. Friend the Member for Maidstone and The Weald (Mrs Grant), highlighted her concerns about the discrepancies, or perhaps lack of consistency, in the definitions of "domestic violence" that are being used. Despite the Minister's response, further clarification is needed on why different definitions are appropriate in different places. He will have heard Members on both sides of the House express concerns about undertakings, in particular. That point has come across very strongly today, as it did in Committee.

I do not want to detain the House further, because other Members want to speak and there are a large number of amendments relating to domestic violence. I hope that some progress will still be made on this issue, if not through an immediate response from the Minister, then perhaps when the Bill reaches the Lords.

Helen Goodman: As the Minister said, we debated this issue in general at some length in Committee. I shall speak in support of amendments 23, 74 and 96 to 98.

A central concern is the narrow and restrictive definition of "domestic violence" that the Minister is putting into the Bill. Once again, we have heard remarks from him that demonstrate his lack of understanding and his lack of sympathy for people in this situation. He said in Committee, and he said again today, that his criteria

"all avoid self-reporting and involve a significant level of state intervention."

That is indeed the case. The problem is that in taking that approach, he is treating women as if they are not adults capable of self-reporting. That is why many Labour Members feel that he is taking us back 30 years. He said:

"We are concerned that to include admission to a refuge in the criteria would be to rely on self-reporting".

He said that he is

"not persuaded that the medical professionals would be best placed to assess whether domestic violence has occurred"

even though

"they may witness injuries".

He said that he does not believe that, in themselves, allegations of domestic violence are objective. He said, as he said again today, that the tests he wishes to use

"are designed...to minimise the risk of false allegations."—[Official Report, Legal Aid, Sentencing and Punishment of Offenders Public Bill Committee, 6 September 2011; c. 359-64.]

That is a problem. If his objective is to minimise the risk of false allegations, then his objective is not to maximise the support that women need.

Following the extremely concerning debate that we had in Committee, on 8 September I wrote to the Under-Secretary of State for the Home Department, the hon. Member for Hornsey and Wood Green (Lynne Featherstone), who is responsible for issues relating to women and equalities. On 25 October, I finally received a reply, in which she says:

"You make the point that the definition of domestic violence used in the Bill is much narrower than the ACPO definition. My understanding is that the definition of "abuse" in the Bill is a broad one...We have been assured by the Ministry of Justice that the definition used would not exclude, for the purposes of legal aid and private family law cases, any of the types of abuse covered by the definition used by ACPO."

This letter is quite extraordinary. She goes on to say:

"The Government is clear that objective evidence will be needed to ensure that legal aid in private family cases is focused on those who may be intimidated and unable to assert their rights as a result of domestic violence or the risk of harm by the other party to the proceedings".

Her reliance on the assurances from the Ministry of Justice that its definition is the same as that used by ACPO leads me to ask two questions. First, what is the point of a Minister for Equalities who does not check with the rest of the world what is going on? Secondly, did the Minister tell her that his definition was the same as the ACPO one, when everybody knows that that is not the case?

The Minister for Equalities could easily have listened to the Bar Council—not, one would think, a wild group of left-wingers who are determined to promote a feminist picture of the world. One would think that she might have listened to it. It wrote to many Members this week.

Mr Djanogly: It is the case that the ACPO definition and the definition in the Bill are broadly similar.

Helen Goodman: Broadly, yes, but not precisely—that is the problem. About an hour and a half ago, the Minister accused hon. Members of dancing on pinheads. He is now the one who is doing that. We have demonstrated that under his definition, some 20,000 victims of domestic

violence will not get legal aid each year who would get it currently. That is the problem.

I remind the Minister of what the Bar Council is saying:

"The narrow definition of domestic abuse, which is more restrictive than that used by the Home Office and the Association of Chief Police Officers and will limit legal aid to victims of certain 'types' of abuse".

It states that there are:

"Excessively narrow referral mechanisms for victims of domestic abuse, who will not be eligible for civil legal aid if, for example, they have been admitted to a refuge but have chosen not to bring proceedings against their abusive partner".

Debbie Abrahams (Oldham East and Saddleworth) (Lab): Does my hon. Friend agree that the Government's impact assessment shows how narrow the definition is? Is this not yet another attack on women by this Government?

Helen Goodman: It is indeed. We heard that from the hon. Member for Maidstone and The Weald (Mrs Grant), who made some excellent interventions. We see once again that the Ministry of Justice is at a severe disadvantage because it has no women in its ministerial team. My hon. Friend is absolutely right.

The Bar Council is also concerned, as are many hon. Members, about the impact on children, referring to:

"The decision to exclude most adults in private family law cases from the scope of legal aid, even in cases of significant difficulty involving legally represented children, which may result in children alleging abuse being cross-examined by the alleged abuser."

The problem is that the Minister is so determined to use a definition that he believes is watertight that he is ignoring the reality. The reality is that most women experience 20 episodes of violence before they report it to the police. By insisting that only a report to the police followed by various court actions is required for legal aid, the Minister is condemning more women to suffer domestic violence in silence.

Simon Hughes: I will speak briefly on amendment 145, which the Minister has addressed and on which I asked him a quick question. If I may, I will amplify that point.

My point is not about the important matter of domestic violence, which my right hon. Friend the Member for Carshalton and Wallington (Tom Brake) has spoken about and on which there is continuing concern across the House, but about the families of those who are rightfully admitted to this country as refugees or beneficiaries of humanitarian protection. Many Members, including me and my neighbour the right hon. Member for Lewisham, Deptford (Joan Ruddock), encounter such cases routinely in their constituency surgeries. This is not an irregular occurrence in our work.

Somebody who is granted the ability to stay in this country as a refugee because of race, religion, nationality, membership of a social group or their political opinion, or somebody who is given humanitarian protection because they are at risk for some other reason, might have applied for their family members to come with them as dependants or their family members might have made separate, parallel applications. In such cases, their family members can be dealt with in the same way.

However, we all know that when people come here as refugees, they do not often do so in an orderly way as a family. It might be that one family member comes here from one country and other family members from another. For example, when Sierra Leone had its civil war, people fled from it with some ending up in Gambia and others elsewhere. It might be that one family member comes at one time while another is left in a refugee camp. It might be that other family members had disappeared when the application was made. It might be impossible for the mother, the wife or the daughter to make an application at the same time. It is those cases that I am concerned about.

I accept that often there are straightforward applications that do not have complications, but sometimes there are significant complications and we need to ensure that people are not disadvantaged because they cannot match the state in argument.

Joan Ruddock: The right hon. Gentleman is indeed my neighbour and we share such cases. Perhaps I can help him by giving an example. I am dealing with a woman at the moment who has advanced cancer. She has children and has the right to be here, and she is trying to get her husband to join her. She tried to make the application alone, but got it all wrong and the state said no. She does not need me giving her a bit of advice, but proper legal assistance to make her case speedily and accurately. She would not get that under the future arrangements.

Simon Hughes: The right hon. Lady gives a good example. It is often people with difficult personal circumstances who have such problems. They might be here and unwell or dying. They might be literally on their own in this country. All the evidence shows that if we want people who come here as refugees or for humanitarian protection to integrate, the best way to achieve that is for their family to be here to give them support; often that is intergenerational support.

Mrs Madeleine Moon (Bridgend) (Lab): Will the right hon. Gentleman give way?

Simon Hughes: I am trying to be quick, but I will.

Mrs Moon: Does the right hon. Gentleman agree that an increasing difficulty for the people he is describing is that they have to make a telephone call to see whether they are eligible for legal aid? We are talking about people who might have poor command of the English language. The people they talk to are not trained lawyers. They will no doubt get their stories, their dates and everything mixed up. That will, yet again, make it impossible for people to get the legal help and advice that they need, even when their case is totally justified.

Simon Hughes: I understand the hon. Lady's point. My right hon. Friend the Member for Carshalton and Wallington and I, along with others, have tabled an amendment on telephone access that we will come to later. This is one of the matters on which I have had a significant number of representations from law centres and people who deal with such work. I understand her point and agree with it.

[Simon Hughes]

It is often not possible for family members to claim asylum because they are not in the UK. They therefore do not get the benefit of legal aid.

The UK Border Agency often requires evidence of the relationship. That is not surprising and it is perfectly proper. People are asked to undergo DNA tests. Spouses are asked to produce evidence of their marriage. That might be straightforward, but it might not be, either in law or in practice.

Yasmin Qureshi (Bolton South East) (Lab): I agree with the right hon. Gentleman. At the Conservative party conference, the Home Secretary gave a completely misleading example when she said that in one case somebody was found to have family rights because of a cat. Does he agree that such things do not help in these debates?

6.30 pm

Simon Hughes: It might or might not surprise the hon. Lady to hear that I was not at the Conservative party conference. I can mischievously go one step further and say that I was on an official visit to India at the time, so if she will forgive me, I cannot comment on the conference because I did not even see it. I understand where she is coming from. Such sensitive issues are often capable of being misrepresented by our constituents and by public opinion at the tabloid end of the press. However, if my family had undergone such trauma, I would want the support of the country in which I had sought refuge.

I shall briefly add a last few facts, and I pay tribute to the Immigration Law Practitioners Association, which provides a good support system for all who deal with this sort of work. First, 61% to 66% of refusals are overturned on appeal. The evidence, therefore, is that people win such cases not occasionally, but regularly, even if they need to come through the system on appeal.

Secondly, the situations of the applicants often seriously compound their difficulties in making the application or pursuing an appeal. Family members could be in hiding, or they could be in a country where they have no lawful status. They too might have faced or fled persecution. The remnants of the family might be isolated, in hiding or shunned. As the hon. Member for Bridgend (Mrs Moon) said, they could be in dire financial straits. For such people, making phone calls, let alone international ones, would be impossible. The chances of a person in Shatila refugee camp, for example, having the cash or ability to make international phone calls to establish their rights to join their family in the UK are minimal. Camps are not geared to dealing with individual international applications for family reunion—they are just not an appropriate context for that.

Evidential demands could be substantial and protracted. People might need witness statements from other relatives, who could be in this country or another one, which might not be the one where the applicant is. Family members often have to be traced and communication is sometimes slow. The right hon. Member for Lewisham, Deptford made the point that submitting the application correctly so that it gets through the system is not easy.

However good the immigration judge is, a litigant in person in those circumstances, who might have poor English and who might be only a recent arrival, and who might be worried and traumatised by their history, might not be in a good position to make an effective case in front of the court. In any event, the judge cannot, by definition, see the other family member, because they will not be here. The judge cannot hear evidence from them or others from whom he may need to hear.

I hope the Minister understands. Those are real cases, and I hope I can appeal to the sympathy and understanding of colleagues in the Department. If somebody can come here as a refugee or on humanitarian grounds, the logic must be that their immediate family should be able to come with them. That is the expectation of the international agreements that we have signed, which the Government should understand.

Joan Ruddock: The right hon. Gentleman makes an utterly compelling case—I agree with it totally and I wish to vote for the amendment, so I trust that he will press it to a Division.

Simon Hughes: In one sense, the right hon. Lady makes an absolutely reasonable proposition. I am determined that we will win this argument, but I will wait to see what the Minister—*[Interruption.]*

Karl Turner (Kingston upon Hull East) (Lab): Pathetic!

Simon Hughes: No, it is not pathetic at all. Let me say to the right hon. Member for Lewisham, Deptford that there are four groups of amendments and that we have until 10 o'clock. The Opposition Front Benchers want to press their amendments to a Division, as do other colleagues, including me and my right hon. and hon. Friends. I hope the Minister will be helpful—*[Interruption.]* No, he originally indicated following my intervention that he was willing to look at the case again. I am determined to win that case. Whether we can win it today is not entirely in my hands. I hope that that is helpful, and I look forward to the right hon. Lady's continued assistance in ensuring that we win the argument.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): With respect to the right hon. Member for Bermondsey and Old Southwark (Simon Hughes), that speech was absolutely breathtaking. I have a high regard for him, but in this instance, his colleagues in Committee did not issue a single word about this and many other important humanitarian issues. I do not know which audience he is addressing, but no work whatever was done by his colleagues in Committee—I was there.

Simon Hughes: I know the right hon. Gentleman was there. As I understand it, this issue was not debated in Committee and no amendment on it was tabled by either Government or Opposition. That is why I am raising it now.

Mr Llwyd: Later on, I shall speak to my amendment that partially deals with this matter, and the right hon. Gentleman might wish to join us in the Lobby if I press it to a Division.

I want to be as quick as I can, because other hon. Members wish to speak and we have a lot of work to get through. If the hon. Member for Hammersmith (Mr Slaughter) is tempted to press amendment 74 to a Division, I will encourage my colleagues to follow me into the Lobby.

I should like to speak briefly to amendments 91 to 102, 83 and 103, which are in my name. I listened carefully to the Minister when he referred to amendment 91. He said that the words "or other intimate" are not necessary, which I accept. They probably are otiose, and therefore that point has been dealt with. I dare say that much of what the Justice Secretary will say tomorrow on self-defence will also be otiose, but that is another debate for another day.

Amendment 92 would broaden the definition by removing the words "physical or mental abuse" and replacing them with

"any incident of threatening behaviour, violence or abuse (whether physical, mental, financial or emotional)".

The Minister knows that many people wrote to right hon. and hon. Members and we heard lots of evidence on a subject that has exercised many in the Chamber this evening just as it exercised those in Committee. I have begun to question whether pre-legislative scrutiny is worth anything, because if we get hundreds of pieces of evidence from informed bodies, people at the sharp end and practitioners, and then decide to do little or nothing about them, the process is brought into disrepute.

Amendment 93 would insert the words

"or where an allegation is made that B has been abused by A or is at risk of being abused by A"

to line 4 of page 103. Paragraphs 10 and 11 to schedule 1 provide for legal aid for the alleged victim in family cases involving domestic violence or child abuse. However, they do not provide for aid for the adult against whom the allegation is made. The amendment would bring the alleged perpetrator back within scope. That might sound strange, but I shall explain the thinking behind it in a moment.

Amendment 96 would insert the words:

"Civil legal services provided to an adult in relation to proceedings for financial relief in respect of a child who is the subject of an order or procedure mentioned in sub-paragraph (1)",

and amendment 97 would add the words:

"Civil legal services provided in relation to proceedings in which the court is considering giving a direction under section 37 of the Children Act 1989 (direction to authority, where care or supervision order may be appropriate, to investigate child's circumstances)".

In responding to points made earlier, the Minister said that the section 37 investigation could well amount to nothing. However, such investigations are not taken lightly. They are always instigated on basic evidence, and caring for that child is not a routine matter, but an extremely important one.

Amendment 98 would add

"Civil legal services provided in relation to proceedings arising out of a family relationship involving a child in respect of whom a court has given a direction under section 37 of the Children Act 1989 (direction to authority, where care or supervision order may be appropriate, to investigate child's circumstances); and "family relationship" has the same meaning for the purposes of this sub-paragraph as it has for the purposes of paragraph 10"

to line 39. That would bring within scope both proceedings leading to an order under section 37 of the Children Act 1989 and all subsequent steps in family proceedings after a section 37 order has been made. It would also ensure that the person against whom allegations of abuse are made is brought within scope.

Amendments 100 to 102 are consequential amendments. Their purpose would be to amend paragraph 13, which provides legal aid to child parties in cases that come under the relevant parts of schedule 1, but not to adult parties. That provision will result in unrepresented adults being forced to cross-examine expert witnesses and, in many cases, even the child concerned. The amendments would therefore bring adult parties in such cases within the scope of legal aid provision.

Amendment 103 relates to the director of the Legal Services Commission. We debated in Committee the role of the commission, the independence, or not, of the director in arriving at decisions and the question of whether those decisions will simply be cost-driven. The amendment is designed to deal with those issues. It states that

"the Director must determine that an individual qualifies for civil legal services where the services relate to a matter falling within paragraph 10 of Schedule 1 and—

(a) the individual has been admitted to a refuge for persons suffering from domestic abuse;

(b) the individual has obtained medical or other professional services relating to the consequences of domestic abuse, or

(c) an assessment for the purposes of possible mediation of a family dispute has concluded that the parties need not engage in mediation as a result of domestic abuse,

and in this subsection 'domestic abuse' means abuse of the kind to which paragraph 10(1) of Schedule 1 relates".

The intention is self-evident.

I declare an interest at this late stage in my remarks. I practised family and criminal law for 15 or 16 years as a solicitor and for an equal number of years at the Bar, so I have some understanding of how the family courts work and would therefore gently admonish the Minister: the word "custody" went out of favour about 12 years ago—but that is by the bye. My background in this area of law leads me to believe that these changes might well have a devastating effect on families and, even more importantly, children. Both, of course, are closely interrelated: if it is disastrous for the family, it is obviously additionally disastrous for the young child as well. What is more, I believe that the Government's decision to press ahead with a weakened definition of "domestic abuse" will result in many women—for it will be overwhelmingly women—entering into court proceedings alone and without legal aid funding.

Mrs Moon: Does the right hon. Gentleman agree that the problem is that we are coming from different directions? For Opposition Members, the priority is the protection of women and children who have been abused, who are facing abuse and who live in fear of their lives. For Government Members, the priority is saving money.

Mr Llwyd: I have to agree with the hon. Lady, and I would pray in aid another point about the more general civil cases where litigants in person will be 10 times more prevalent in courts than they were previously. That is simply to save money, but actually it will not save money. Instead, it will increase pressure on courts and court time and will be a complete disaster—a dog's breakfast. It is worth remembering that 40% of magistrates and county courts have been closed and that the Ministry

[Mr Llwyd]

of Justice was looking for a 40% decrease in its first budget—that is rather convenient. However, I have no doubt that she is right, and it grieves me that money comes before the welfare of young children. We are talking about knife crime, juveniles going on the wrong side of the law and so on, and the Bill will do nothing to address that. Instead, I fear that it will make matters even worse, although I hope that I am wrong.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): Will the right hon. Gentleman give way?

Mr Llwyd: I will give way, but briefly, because other Members wish to speak.

Catherine McKinnell: The right hon. Gentleman is making a powerful case about the impact that the Bill will have not just on women suffering domestic violence, but on children in that situation. Does he agree that there is a significant risk not just that it will not save money for the MOJ, but that it will result in increasing costs across Departments, for social services as a whole and for the future of our society, leaving children in those difficult situations?

Mr Llwyd: The hon. Lady is absolutely right. When we take into account housing costs, benefits and all kinds of things, we see that it will be a huge amount of money at the end of the day.

6.45 pm

Amendments 91 and 92 would widen the definition of "domestic abuse", bringing it in line with the definition adopted by the Association of Chief Police Officers. There remain grave concerns about the Government's chosen definition. I know that many other hon. Members feel strongly about this, and I believe, as they do, that the definition in the Bill should accord precisely with ACPO's definition, which is

"any incident of threatening behaviour, violence or abuse (psychological, physical, sexual, financial or emotional) between adults, aged 18 and over, who are or have been intimate partners or family members, regardless of gender and sexuality. (Family members are defined as mother, father, son, daughter, brother, sister and grandparents, whether directly related, in-laws or step-family.)"

My amendments would bring the Bill's definition in line with that definition. In Committee, the Minister claimed repeatedly that if we widened the definition of domestic violence, we would have to rely on self-reporting. I do not quite understand that correlation, but never mind. That point was made ad nauseum. I fear that the Government do not realise the gravity of the situation. Considering the criminal under-reporting of domestic abuse, it is astonishing to think that the Government are giving so much weight to allegations of misreporting. Women will, on average, experience 35 incidents of abuse before reporting it to the police, and we should not treat their witness statements lightly.

What is more, the Minister claimed that the ACPO definition was not satisfactory, because it did not sufficiently establish objective evidence of abuse. He said that an allegation in itself or a police investigation would not constitute evidence for the purposes of legal aid. Once again, I emphasise to him and his colleagues that domestic violence can be inflicted in more subtle ways that do not leave visible marks and bruises: abuse can be financial, emotional and psychological, and can involve power games drawn out over long periods of months. Vulnerable individuals put their trust in our justice system and the state to support them when things go wrong. We must not lose sight of that responsibility, and we must not abandon victims of domestic abuse to undergo legal proceedings without recourse to legal aid and assistance.

The circumstances in which a person suffering domestic abuse must be treated as qualifying for civil legal aid are also excessively narrow and overlook the fact that many victims choose not to report the abuse to police, but seek assistance and medical treatment elsewhere. Amendment 103 would ensure that victims of domestic abuse qualify for legal aid in circumstances outside those narrowly prescribed by the Bill and so ensure that those in need would not go without vital legal aid and assistance.

Amendment 93 seeks to ensure that victims of domestic abuse cannot be cross-examined by their alleged abusers. Paragraphs 10 and 11 of schedule 1 provide for legal aid for the alleged victim in family cases involving domestic violence or child abuse, but not for the adults against whom the allegation is made. The consequences of that will be a significant inequality of arms in such cases. In many instances, I fear, the alleged victim will face awful cross-examination from the adults against whom the violence is alleged.

Yasmin Qureshi: Does the right hon. Gentleman agree that the criminal courts accepted many years ago that in criminal cases defendants could not cross-examine victims on matters such as sexual offences? To take away that right in the civil courts, where people are facing equally harrowing situations, is completely wrong and would be at variance with the criminal courts.

Mr Llwyd: Yes, and I wonder about the quality of the evidence coming out of that flawed process.

I was assisted in drafting amendment 93 by the Bar Council, which has said that the effect of preventing such distressing and costly consequences is worth looking into urgently. Amendments 94 to 102 relate to proceedings involving children's welfare. As the Bar Council has said:

"It is not understood why, under Schedule 1, the provision of legal aid is limited to proceedings relating to the children, and not the associated financial remedy proceedings. The child's economic welfare is important in abuse cases; particularly given the higher incidence of abuse in low-income households."

Amendments 96, 97 and 98

"would have the effect of bringing within scope…proceedings leading to an order under the Children Act 1989 section 37…and…all subsequent steps in family proceedings once a section 37 order has been made. They would also ensure…that…the person against whom allegations of abuse are made is within scope."

Amendments 94 and 95 are consequential amendments.

The Minister said in Committee that cases involving financial provision are not a priority for legal aid. I firmly believe that all private family cases should be retained within the scope of legal aid. It is difficult to overestimate the damaging effects on children caught up in untidy, bitter and lengthy disputes. Protecting the interests of children is at the heart of amendments 99 to 102. As the Bar Council has said:

"Paragraph 13 provides for the provision of legal aid for the child parties in cases which come under subsection (1)(a)-(e), but not for the adult parties."

which, as I have said, will

"result in unrepresented adults being forced to cross-examine expert witnesses and, in many instances, the child concerned."

Amendments 99 to 102 would have the effect of

"bringing within scope the provision of legal aid for adult parties in such cases."

I want to talk briefly about amendment 83, my final amendment, which deals with judicial review. I thank the Immigration Law Practitioners Association for its help in briefing me on this amendment. We know that immigration-specific exclusions have been made. In their Green Paper, the Government set out a robust defence of judicial review and the need for retaining legal aid in such cases, saying:

"In our view, proceedings where the litigant is seeking to hold the state to account by judicial review are important, because these cases are the means by which individual citizens can seek to check the exercise of executive power by appeal to the judiciary. These proceedings therefore represent a crucial way of ensuring that state power is exercised responsibly."

None the less, the Government have compromised their position in immigration cases. My amendment 83 seeks to rectify that anomaly. In explaining why immigration cases are to be exempted from legal aid for judicial review claims, the Government say that they have drawn on the response to the Green Paper by the senior judiciary, who raised concerns about unmeritorious judicial reviews, but in so doing the Government have ignored three key aspects of the judiciary's proposals.

First, the judiciary's proposals were advanced only on the basis that

"careful further consideration would need to be given"

before the proposals that the Minister is now pushing could be taken up. However, no consultation has been held on those proposals. What is more, the judiciary also advanced their proposals on the basis that, in principle, legal aid should be available for appeals before the first-tier tribunal. However, the Bill removes legal aid in such non-asylum appeals. Finally, the proposals were advanced on the basis that legal aid should not generally be excluded, but instead be available where a positive decision was made in favour of granting legal aid in any individual case—for example, because the judge decided that it had merit. However, the Bill removes legal aid for such immigration cases, regardless of the merit of any individual case. All in all, this is a sorry state of affairs.

The Government seek to justify the new exclusions for judicial review in immigration cases by stating that public funding is not merited in cases that have

"already had...one full oral hearing,"

yet the provisions exclude legal aid even where there has been no oral hearing. The Government have effectively reversed their position that holding the state to account was of especial importance—hence the need to retain legal aid for judicial review. As a consequence, legal aid will not be available to hold the state to account at any stage, because immigration applications and appeals are also being removed from the scope of legal aid—a Catch-22 situation, or perhaps "Kafkaesque" would be a better description.

To remind ourselves, the changes will affect cases involving non-asylum claimants who face removal from the UK, and therefore from their families, homes and communities. Such claimants include trafficking victims receiving rehabilitative care and treatment; British children and spouses facing permanent separation from their parents or partners; children who have lived in the UK for many years—sometimes all their lives—facing removal to countries that they have never seen and do not know, and where they do not speak the language; adults who have lived in the UK for many years, and sometimes decades, facing removal to countries that they do not know; and victims of torture and other trauma who are no longer at risk of persecution in their home countries, but who are reliant on professional care and treatment.

The position now advanced by the Government is not supported by their stated principles or by the position advanced by the senior judiciary, and would leave a powerful agency of the state—the UK Border Agency—free from effective judicial oversight when exercising powers to remove people from their families, homes and communities, including where doing so will harm their welfare, health or life prospects. For those reasons, sub-paragraphs (5), (6) and (7) of paragraph 17 of schedule 1 have no place in any legislation with any regard for human rights or humanitarian issues.

Caroline Lucas: I rise to speak to my amendments 23 and 113. I shall be brief, because we have much business to get through, but let me say at the outset that I support Labour's amendment 74. However, I still want to speak to my amendment 23, because I am yet to hear anything from the Government to explain why there is such resistance to ensuring that the definition of "domestic violence" set out in the Bill reflects the working definition currently used across Departments, including the Home Office and the Ministry of Justice, and by the UK Border Agency.

In a debate earlier this month, the Minister for Equalities assured me that the Government had

"not sought to change the accepted definition of domestic violence. We are including all forms of domestic violence, physical and mental, in legal aid criteria."—[*Official Report*, 12 October 2011; Vol. 533, c. 136WH.]

That commitment is incredibly important to thousands of women in my constituency who have experienced physical and emotional violence, as well as those who have suffered sexual violence, and to all women across the country who desperately need legal aid to try to protect themselves from domestic violence. However, I fail to understand why, having made that commitment, the Government are using a definition of abuse in the Bill that departs from the current, widely accepted definition. My fear—and that of many campaigners working on the issue, including the women's institute, Rights of Women and Gingerbread—is that using a different definition will weaken protection for women and result in legal aid being unjustly denied in some domestic violence cases.

In the debate on 12 October, the Minister for Equalities pledged to continue to support the robust cross-departmental approach to tackling violence against women and girls—a position also detailed in the Government's strategy, published last year. However, surely having the same definition of "domestic violence" in use in all relevant legislation and across all Departments is the

[Caroline Lucas]

cornerstone of a joined-up approach. Problems can arise for women if a robust cross-departmental definition is not adopted. For example, in the case of Yemshaw *v.* London borough of Hounslow, the local authority refused to recognise Ms Yemshaw as homeless as a result of domestic violence, because, although she had been subject to emotional, psychological and financial abuse by her husband, she had not experienced physical abuse. Not until the case reached the Supreme Court was Ms Yemshaw recognised to have experienced domestic violence and thus deemed to be eligible for housing assistance. I appreciate that the definition in the Bill addresses mental abuse, but the key point is consistency. Responding effectively to domestic violence relies on clarity, uniformity and consistency. There is a perfectly good definition already in widespread use, so let us include it in the Bill. If not, may we please have a much more rigorous response from the Government about why not?

Let me say a few words about amendment 113, the purpose of which is comprehensively to preserve legal aid in immigration cases for a person subject to domestic violence. It is also designed to highlight the inadequacy of Government amendment 59, which fails to provide legal aid for a specific group of individuals, namely those subjected to domestic abuse whose immigration status is dependent on their partner, where they have not been granted limited leave to remain for a probationary period at the end of which they may apply for indefinite leave to remain.

In July, the Minister undertook to bring forward a Government amendment that would bring immigration cases involving domestic violence within the scope of clause 10. Of course that is welcome, as was the Minister's undertaking to consider the first part of my amendment 113, which he made when he got up to speak quite some time ago. What I would love to know from him is exactly when and how he is going to consider it. We are now in the last few days of debate on this really important Bill. At this stage, for Ministers to say that they are going to consider provisions in some unspecified way is simply not sufficiently reassuring.

7 pm

Government amendment 59 is worrying because it is restricted to persons who are present in the UK with limited leave as spouses or partners of British citizens or settled persons whose relationships break down during the period because of domestic abuse and who can prove this to the satisfaction of the Secretary of State.

The UK Border Agency has recognised the particular difficulties experienced by people in this position, and the Government helpfully identify four factors relevant to why legal aid should be provided in those cases. They include such things as the risk that victims will stay trapped in abusive relationships for fear of jeopardising their immigration situation; the trauma they might have suffered, which often makes it difficult to cope with making an application; time pressures that apply in immigration proceedings; and difficulties of access to a properly designated immigration adviser. I agree that those are all important issues and protection is needed in those cases, but the point is that those circumstances do not merely apply to those who fall within the domestic violence immigration rule. There are several other situations in which a person's immigration status is dependent on a partner where the person might be a victim of domestic abuse and might therefore be trapped in an abusive relationship because of fears about their immigration status.

Glenda Jackson (Hampstead and Kilburn) (Lab): There is another element in the situation to which the hon. Lady refers. Indeed, I have more than one constituency case where the individual being abused comes, as members of their family have told me, from a culture where such attacks are never reported to the police and these women are expected to suffer in silence. In many instances, these are elderly women.

Caroline Lucas: I thank the hon. Lady for her intervention, which raised a really important point. It underlines the fact that we need from the Government a fuller explanation of exactly how they are going to consider the first half of amendment 113.

Let me finish by saying that the people I have particularly in mind are victims of domestic abuse who are not necessarily probationary partners. They might be a partner of someone with limited leave or of a person exercising European free movement rights. Although they do not fall within the domestic violence immigration rule, they might well face the very same problems as those who do. I look forward to hearing more from the Minister about how he intends to take forward the concerns raised in amendment 113 and that have been mentioned by other Opposition Members tonight. I very much hope that he can offer some serious reassurance for the future.

Kate Green: I speak in support of amendment 74 and endorse many of the comments made by the hon. Member for Brighton, Pavilion (Caroline Lucas) about her amendments. I shall add a couple of points about the definition of domestic violence and abuse and say a little more about the appropriate role of mediation.

We are all at a loss to understand exactly what distinction the Minister is drawing between the definition given by the Association of Chief Police Officers and the definition in the Bill. He variously says that there are differences and that different standards are required in cases where an investigation is taking place rather than action in court. Then he says that there is not much difference and he described the definitions earlier as broadly similar. Frankly, I think this definition is simply all over the place. That matters significantly, because it will put extra uncertainty and pressure on victims of domestic violence and abuse at precisely the time when they do not need to be uncertain. They have become brave enough to speak up and pursue their case, but it is not clear whether they will be covered by the scope of legal aid.

I am particularly concerned that the Minister seems to be putting in an extra hurdle for women who are victims of domestic violence but who are nevertheless able to make a case that they should be in receipt of legal aid. They can make an application saying that theirs is an exceptional case. They will presumably have to go to the new decision-making authority set up in the Bill, but we have no understanding of how that will be done, how much delay it might cause or what sort of

evidence will be required to get access to exceptional funding to bring a case. All that is left unclear and simply adds further pressure and difficulty for victims of domestic abuse.

Amendment 74 is designed to be more precise about some of the evidential factors that should be considered. I would like to respond to the important point raised by the hon. Member for Ipswich (Ben Gummer) when he asked my hon. Friend the Member for Hammersmith (Mr Slaughter) whether it would be helpful to have some sort of national register of agencies, from which such evidence could be received. I am sure that that will not be of any great attraction to the Minister, but the UK Border Agency is already well placed to accept evidence from such voluntary sector and third sector agencies. That provides a model that could apply here.

Mr Slaughter: My hon. Friend is absolutely right and made the point better than I did. Of course, the UK Border Agency accepts evidence from GPs, which the Minister appeared to pooh-pooh in his earlier comments.

Kate Green: Indeed, the Minister was more concerned to avoid the number of false allegations that he seems to regard as the major difficulty with domestic abuse cases. Opposition Members are far more concerned about the protection of vulnerable victims and believe that that should be the first and overarching priority. [HON. MEMBERS: "Hear, hear."]

Finally, I want to say a little more than I was able to raise in interventions about the use of mediation. Of course we all want to see mediation used wherever it is appropriate and possible for separating couples to reach agreement through that route. We also know, however, that one thing that is particularly damaging to children is conflict. If there is a high degree of conflict, it is unlikely, even if domestic violence or abuse is absent, that mediation is going to be effective or can possibly work.

We are therefore again a bit puzzled about the Minister's intentions on the use of mediation. I think he said earlier that the requirement was not to undertake mediation but to go through a process whereby it would be determined whether mediation was suitable for a separating couple. Then he said that there would be no compulsion on people to accept mediation. Well, that is certainly true, but if there is no other form of help or assistance available, it is very much a Hobson's choice.

Can the Minister see any scope for extending access to legal aid to those small number of cases where there is a high degree of conflict and perhaps no abuse or violence as such, but where the conflict would certainly be damaging to the well-being of children? What assessment has he made of that? What does he consider might be the extent of such cases? Has he any idea or any calculation? What consideration has he given to the impact on children and will he look at ways to offer particular protection to children from the very harmful effects of conflict, which we all know to be the case?

Sheila Gilmore: I have an interest to declare, as I have worked as a family lawyer and predominantly in legal aid over many years. I have been involved in many cases, some of which involved domestic violence and some not. The Minister seems obsessed with the notion that people might make false claims to get legal aid.

Yasmin Qureshi: Does my hon. Friend agree that there is no statistical evidence to show that reports of false allegations of domestic violence are any higher than they are for any other crime where people are potentially making false allegations?

Sheila Gilmore: As far as I am aware, there is no such evidence. What the Minister has in mind is perhaps just an untoward result of his own legislation. I am not doubting that there will be many false accusations to be made here, but by ruling out legal aid for family cases and making the only route to it the ability to jump through the domestic violence hurdles, perhaps a situation is being set up, which might lead to that happening. It is an unnecessary consequence of a decision that has already been made to take legal aid out of family cases.

One might sometimes get the impression that legal aid is something for which lots of people qualify so that it has become a big problem in this country, but it is already the case that many people do not qualify for legal aid on financial grounds—even to get protection from domestic violence or to get the occupancy of their own home and the exclusion of a violent partner from it. Many people who already suffer the additional difficulties caused by relatively low incomes and small assets do not qualify, and even in cases of domestic violence the availability of assistance is limited.

The Bill could have another untoward consequence. Those advising people who have experienced domestic violence are likely to feel obliged to encourage them to take legal proceedings to establish the fact of the violence, regardless of whether such action is essential to their protection at that time. That will enable those people to jump through the hoop and qualify for legal aid for wider purposes, involving, for instance, what happens to the matrimonial home, what happens to the children and what happens in relation to other financial matters—issues that are extremely important to many women. Thus the potential for more litigation will be created. When applicants who would otherwise have qualified for legal aid do not do so, what will happen to the savings that we are told will be generated if additional, potentially non-essential, actions are brought?

In an intervention earlier, I asked a question to which I did not receive a satisfactory answer. The Minister said that a finding of fact in a family law case involving domestic violence would enable people to jump the hurdle, but I am not sure what kind of case he was referring to. An application for protection or for an injunction would be covered, but how will people gain access to the family court to secure that finding of fact if they cannot obtain legal aid in the first place? I do not agree with the suggestion that the Bill will widen the scope for qualification for legal aid.

I was concerned by some of the language used by the Minister. It reminded me strongly of things that I thought had ended. I remember that the police often used to say that women made up these stories, because it was not uncommon for women to report violence to the police and then "retract" their allegations. The police would say, "He will have his feet back under the table by tomorrow, so there is no point in doing anything." That demonstrated a complete misunderstanding of the nature of abusive relationships, and of the pressures that were frequently placed on women to go back or take their men back—pressures exerted, sometimes

[Sheila Gilmore]

inadvertently, by children whose mothers tried to put their needs first, or by other family members saying, "You have made your bed and you had better sleep in it", or "Are you doing the best thing for the sake of the children?" That is not to speak of the financial and other practical pressures that may be imposed.

Mrs Moon: All too recently the Government wanted to give anonymity to male rapists. Now women who face domestic violence will not receive the protection that should be offered to them. The Government are failing to take account of what we know about the implications for women and children who, having experienced domestic violence earlier in their history, end up in the criminal justice system. Is it not the case that they do not understand what happens to women and children—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We must have shorter interventions.

Sheila Gilmore: I agree with my hon. Friend. Earlier speeches gave us the impression that we were retreating to a previous position, and that much of the ground that many of us thought we had gained might be lost. That would be highly regrettable, and I hope that it is not the case. I hope that, even at this late stage, the Minister will reconsider his opposition to our amendment.

I was heartened to read in the Sunday papers that members of the minority party in the coalition were up for a fight on these issues. I hope that that was not just more Sunday paper grandstanding, giving a false impression to many campaigners and others who have been hoping against hope that the Government will see reason.

7.15 pm

Mr Buckland: It is a pleasure to contribute to the Report stage of the Bill. As a Government Back Bencher, I sat through and took an active part in the debates in Committee. They were comprehensive and dealt with many issues, not least the definition of domestic violence and the proposed criterion by which applicants may in future be able to benefit from representation via legal aid. I make no apology for having expressed, in an earlier intervention, what I considered to be reasonable concern about the application of the criterion. However, I think it important for us to bear in mind that the debate is not about the rights of women as against an approach that would deny them those rights.

Although Opposition Members have made some excellent contributions, one intervention on the speech of the hon. Member for Edinburgh East (Sheila Gilmore) betrayed a complete misunderstanding of the Government's approach to the granting of legal aid to vulnerable people. No one is suggesting that there should be an end to legal aid for victims of domestic violence. Far from it. The Government are saying that there should be that protection, there should be that level playing field, and there should be that intervention. People who have been victims of domestic abuse—I prefer that term, because I consider it to be a wider and fairer definition—may be women or men, and they come from a variety of backgrounds. Such abuse knows no social or economic division.

I speak on the basis of nearly 20 years of experience, having prosecuted and defended in cases in which domestic violence was a factor. It is, perhaps, appropriate for me to chart from my personal experience as a criminal legal aid lawyer—although, as I have not practised in civil legal aid in recent years, I have no particular relevant interest to declare—the evolution of the courts' approach to domestic violence. I remember the days when the phrase "It's only a domestic" was used to describe these scenarios. That was wholly unacceptable, wholly wrong, and, according to our present standards, archaic. We have come a long way since those unfortunate days, and the courts have rightly been brought face to face with the realities of violence in the home.

Having met hundreds of victims of violence and abuse, I know that many of them do consider themselves to have been victims of domestic violence in the first place. They are people who were involved in a loving relationship, many of whom harbour the hope that they may return to their abusive partners. They are confused and vulnerable. Many are caring for children who have witnessed, or have been a party to, what has happened in the home. They do not know where to turn.

Giving evidence in court is a tremendous ordeal for such people, and many of them do not go through with it because they see it as a way of reliving their experiences in the home. The level and variation of their vulnerabilities is quite complex. I think, for example, of women who, having nowhere else to turn, go to refuges such as the one in south Swindon, in my constituency, which provides an excellent service for vulnerable women and their families. They are not mentally in a position to start immediate proceedings, whether those proceedings constitute a complaint to the police or the instruction of a solicitor. At that stage, when they come to the refuge, they have nowhere else to go and are literally in a state of desperation. They are not mentally prepared for the ordeal of having to go to the authorities. We must bear that in mind when considering the test applied to the finding of fact.

I know that the Opposition had that matter in mind when drafting amendment 74. I have looked very carefully at their proposal, and I sympathise with the motive behind it. Some of it has merit, but there are problems with it because it would not cure the particular mischief that Opposition Members have said could happen. None of us wants there to be any artificial inducement for people to claim that there has been domestic abuse when it has not happened, and my concern is that the amendment would not shut the door on that problem. The Government are right to identify that potential problem, and it was mentioned time and again in the consultation to which the Minister referred.

Glenda Jackson: With all due respect, I am having difficulty following the logic of the hon. Gentleman's argument. He seems to be basing it on the belief that the Government's desire to find fact is central and essential, yet he has already stated that many women who suffer severe domestic violence are in such a mentally discombobulated state that they find it impossible to speak to the authorities. We have all read recently of scandalous cases in which the authorities have markedly failed to protect women, even though the facts have been written in capital letters. Will he clarify his argument?

Mr Buckland: I am very grateful to the hon. Lady, and I am happy to do so. We agree that when a woman presents herself at a refuge, there can be an element of discombobulation, to use the hon. Lady's word. However, there comes a time—perhaps in a matter of days, or even longer in the case of particularly vulnerable victims of domestic abuse—when, with the support and help of professionals in the refuge or elsewhere, they are able to make a complaint. They can make a complaint to the police, in the form of either a telephone call or attendance at a police station with support, or they can get help from a solicitor and give them instructions to bring a case for a civil injunction or an ouster order. That has to follow. My point was that it is unfair to expect women to make a complaint immediately, in the hours that follow their departure from home. That is also true in many other contexts.

I think the hon. Lady and I would agree that, in the case of rape allegations, the rather worrying aspect in the past was that the victim was often asked, "Well, why didn't you go to the police immediately?" We know that that is not a good argument when it comes to serious offences such as rape, which can take days, months or years for people to report. The point I am seeking to make is that there has to be some complaint procedure in the end.

Proposed sub-paragraph (10)(k) in amendment 74 uses the term

"other well-founded documentary evidence of abuse".

I know it is difficult to choose a precise phrase that sums up what the amendment's proposers would regard as a sound basis of fact, but that term is open to too much interpretation when it comes to determinations on the granting of legal aid.

I think the proposers of the amendment are perhaps on sounder ground in proposed sub-paragraph (10)(h), which mentions

"an undertaking given to a court that the perpetrator of the abuse will not approach the applicant who is the victim of the abuse".

If there is any criticism to be made of that, it is that it is perhaps drafted a little too precisely. Many undertakings given to courts in relation to domestic abuse include not just non-approach but other prohibitions regarding particular conduct, contact and other aspects of the mischief that is the subject of the proceedings.

It is important that we consider the particulars of the matter, because when parties come to court with a claim relating to domestic abuse, there is quite rightly an impetus for compromise. The parties represented by solicitors or counsel rightly see whether proceedings in the form of evidence given and tested before a judge can be avoided by undertakings being given. "Undertakings" is a legal word for promises given by one or other party regarding future conduct. In fact, in many cases both parties make promises not to behave in such a way as to cause future strife. That is laudable, and it has been the practice in the civil courts for many years. It saves court time, it saves victims of domestic abuse having to undergo the trauma of giving evidence, and it looks to the future by trying to draw a line under the sins of the past with regard to the conduct of people who have been in a relationship involving domestic violence.

Let us put ourselves in the position of a solicitor or legal adviser who has to advise a party to such proceedings before any decision is made about the giving of undertakings. I see a problem occurring, because if undertakings are not to qualify for the purposes of obtaining future legal aid in domestic violence cases, solicitors will have to advise their clients that, if they accept undertakings, that could prejudice any claim for legal aid.

That worries me, for two reasons. First, it could provide a perverse incentive for more litigation, which could result in fewer undertakings being given and a concomitant loss of court time and increase in expenditure. Secondly, it would place legal advisers in a very difficult position when it came to the giving of proper advice. Solicitors or barristers should be there to give advice based on the evidence in the case, rather than on any future contingency that may or may not occur.

Could there not be a way through that problem by parties in the case, through their legal representatives, inviting the judge who presides over the proceedings to indicate his or her view of the strength of the evidence? If there were an injunction in which the parties were minded to accept undertakings, the judge might say, "In this particular case I think there was very strong evidence that could have supported the granting of an injunction." The legal representatives could then use that if there were any future domestic abuse leading to a legal aid application. I urge the Government to consider that potential solution to the problem, as I believe it could help not only the parties in a case but those who advise them legally.

This debate should not be about whether one party or another is sound on domestic abuse. The truth is that there is a welcome and proper consensus about the seriousness of the incidence of domestic abuse in our society. Politicians, the police and all agencies are determined to stamp it out, intervene prior to violence taking place and deal with the root causes of why one partner in a relationship should choose to abuse the other, whether emotionally, financially, physically or otherwise. This debate is not about whether we believe domestic violence is a problem; rather, it is about how the criteria are set. It is therefore a rather narrow debate, and it deserves more mature reflection than some Opposition Members have thus far given it. *[Interruption.]* I am sorry that Opposition Members do not consider 20 years of experience of actually dealing with domestic violence cases to be important, because I would like to think that those of us who have dealt with victims of domestic violence have a contribution to make, and I bitterly resent any Opposition suggestion—especially in sedentary interventions—that I am deliberately prolonging these proceedings. I am not doing so, and if that accusation is repeated, I shall raise a point of order.

7.30 pm

Glenda Jackson: In the hon. Gentleman's argument—and, more centrally, in the Government's argument—no consideration is given to the possible consequence that what I regard as a crime may lose that classification of criminality, depending on whether the sufferer is or is not granted legal aid. Surely that is a very dangerous road for us to go down.

Mr Buckland: I am, as always, grateful to the hon. Lady because she makes measured contributions, and I shall respond to her point. A distinction must be drawn between the scenario in question, which is a civil legal aid scenario, and the concern that she expresses about

[Mr Buckland]

the potential decriminalisation of what I agree is a serious crime. The tests are different; as the hon. Lady knows, the evidential tests are different, and, if anything, the evidential hurdle would be higher in the criminal scenario.

I have some sympathy with those Opposition Members who said that a uniform definition of domestic violence, not just in the legal context but across the whole activity of Government, would be welcome and a step forward. The Association of Chief Police Officers definition is largely sound, although I do have one criticism of it: it does not mention children. Domestic violence can, of course, be directed towards, or be conducted in the presence of, children. The restriction to adults alone is therefore perhaps a deficiency, and all of us, as legislators and campaigners, should reconsider that.

Mark Menzies (Fylde) (Con): It is important that we do not think of this issue only in terms of the relationship between a husband and wife, because domestic abuse can also occur in other circumstances, such as where people take in an elderly parent. That may seem a good idea at the time, but subsequently events might take a different turn and the elderly parent may therefore also become a victim of abuse.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. The hon. Gentleman has only recently entered the Chamber, and he ought not to have intervened so soon. It is, of course, up to the hon. Member for South Swindon (Mr Buckland) to decide if and when to take interventions, but may I remind Members that they ought to make sure they have been in the Chamber for some considerable time before seeking to make interventions?

Mr Buckland: I am extremely grateful to my hon. Friend for making the point about elder abuse. It often occurs in a domestic scenario, and we, as policy makers, should also consider it when setting out a unified cross-Government definition of domestic violence.

Jeremy Corbyn (Islington North) (Lab): Earlier, the hon. Gentleman made the valid point that in the past the police did not take domestic violence seriously. Does he agree that there is currently a problem in that the police often do not take elder abuse seriously, and often avoid getting seriously involved in such cases because it is not a specific crime?

Mr Buckland: The hon. Gentleman is right, and I am sure that he will have come across appalling instances of the mistreatment of relatives when reading the contents of his mailbag and inbox—as, indeed, we all have. In that scenario, the police often face the same difficulty that confronts them when dealing with cases involving vulnerable, and often young, women who are the victims of domestic violence: the complainants—the victims—are often not in a position to provide clear evidence. Because of their vulnerability or their age, they are seen as a soft target who might crumble if put under pressure in court. That is why it is incumbent upon all of us to consider different mechanisms in which their particular vulnerabilities can be accommodated so that the truth will out.

Sheila Gilmore: I would like to know where the hon. Gentleman's speech is going. This debate is about the fact that legal aid is being withdrawn for family actions except in very limited circumstances where there is domestic abuse. Fascinating though this discussion of elder abuse is, I do not understand where we are heading.

Mr Buckland: I am sorry the hon. Lady takes that view. I listened to her speech very carefully, and I was glad that she eventually returned to the topic under discussion because, with respect, I must say that at one point she was addressing an entirely different scenario. That may still exist in the imaginations of some Opposition Members, but it has largely disappeared from the imaginations of the occupants of the Government Benches, on which there is consensus among the parties.

I make no apology for dwelling at length on this issue. It deserves careful consideration at this stage of our deliberations on the Bill, and I would like their lordships to ponder what has been said about it. I therefore bitterly resent the suggestion that I am deliberately padding out my remarks.

This issue should be addressed by Ministers not only at the Ministry of Justice, but at all other Departments with a direct role in domestic policy—such as the Department of Health and the Cabinet Office. They must all think very carefully about the benefits of a unified definition of domestic abuse and what that can bring, not only to the workings of Government but to all victims and potential victims. Unless we get a grip on the root causes of this problem, the House will return to it year after year, and there will be not only constituency examples to ponder, but a general and depressing pattern of abuse in the home.

I have carefully considered Opposition amendment 74 and, as I have said, it is not without merit, but although it has been drafted carefully in some respects, it does still leave the potential for mischief, which we must avoid when addressing the granting of public funds.

I am sure the Minister has listened carefully to what has been said on both sides of the House, and that he will go away and consider the important points that have been raised. None of us wants to see a scenario whereby genuine victims of domestic abuse lose out and end up being exposed to situations such as those outlined by Members both in this debate and in Committee.

These issues should not be the subject of political knockabout because they involve real people who have suffered real harm, and who continue to be at risk. It is for those reasons that I have played what I hope has been a constructive part in this debate.

Ben Gummer: As ever, it is difficult to disagree with even a scintilla of what my hon. Friend the Member for South Swindon (Mr Buckland) has said. As in Committee, we have had a constructive debate on this subject, and especially so on this occasion as so many contributors on both sides of the House with experience of dealing with domestic violence have spoken.

I am perfectly happy to concede that my experience and understanding of the issue under discussion is very limited, but ever since becoming a Member of Parliament in 2010, shocking case after shocking case has been laid before me in my surgery, and I have seen the work done by the various institutions in my

constituency that deal with domestic violence. I was not a specialist in this area before, nor would I be able to lecture some on the Opposition Benches on it, so the intervention by the hon. Member for Edinburgh East (Sheila Gilmore) was particularly important in saying that we had come a long distance on how the police and agencies deal with domestic violence, and it is important that we do nothing to retard that.

With that in mind, I find it surprising that the tone of some contributions would suggest that on this issue there was division along political lines—one Bench against another. My hon. Friend the Member for Broxtowe (Anna Soubry), who cannot be here today because she is in hospital, has campaigned against domestic violence, especially violence against women, for many years. My hon. Friend the Member for South Swindon (Mr Buckland) has not only sat on the bench recently dealing with cases where domestic violence had been an issue in the criminal court, but prosecuted and defended on that matter. It therefore behoves hon. Members, particularly some on the Opposition Front Bench, not to shout and hurl insults at Conservative Members who wish to give a detailed and reasoned explanation of their views, and not to suggest that there is political division between us on the matter of domestic violence.

I remind Labour Members that the Government are going to produce a comprehensive strategy on tackling domestic violence shortly. I look forward to seeing it and I hope that it will draw together the various threads that we have heard about in today's debate. That needs to happen because one part of government does not speak to another, just as parts of local government and the local police force do not speak to one another, as all of us will have found locally time and again.

One example will suffice in that regard. It concerns the most horrendous attack on a constituent whose husband had been released from prison on licence. Even though there was a multi-agency public protection arrangement—MAPPA—protocol set up around this gentleman, the attack was revealed only because of a revelation made by the six-year-old child of my constituent in their primary school. The school had never been involved in the MAPPA discussions about this offender, even though, had it been, the abuse would have been identified some weeks beforehand. I hope in highlighting this to say that the impression that we can solve the problem of domestic violence via legal aid and the courts —I know that this was not all Members, but the impression was given—is fundamentally misconceived.

We will deal with this problem—this will be a very long haul—only if we take a cross-governmental approach, and not one led by what happens when things get to court, let alone when they get half way through. The hon. Member for Bishop Auckland (Helen Goodman) correctly said that women who report to the police have typically had 20 incidents of assault prior to that moment. We need to deal with things before then. The suggestion that we must be able to solve all this in the definition of the domestic violence protocols within this legislation—

Fiona Mactaggart (Slough) (Lab): Is not the issue whether the victims can have access to the solution? This is not about the state or the Government solving it. For many victims, it is only through getting legal aid in order to get an injunction or similar that they can solve the violence they face.

Ben Gummer: Again, the hon. Lady speaks with far more experience than I on this matter, and I was getting to her point. I am merely suggesting that the idea that we can address all these problems of domestic violence through an overheated politicised discussion about where the Government are heading on this Bill not only misses the point, but will damage the cause at hand.

On amendment 74, which was tabled by the shadow Minister, I return to the point I made in my intervention. I regret the fact that he said that I was being pernickety, because many of the things that he is driving at have reason and substance behind them. However, there is a problem if we include, within a list of organisations that would help women to report, a general definition of

"a domestic violence support organisation"

without providing clarification about the efficacy of that organisation.

Mr Slaughter: The hon. Gentleman clearly was not listening when my hon. Friend the Member for Stretford and Urmston (Kate Green) pointed out that that definition is perfectly acceptable to the UK Border Agency, as are the others. It is a composite of definitions acceptable to Departments, so that is a rogue point. May I add that he is doing no service to this House by padding out this debate, as the hon. Member for South Swindon (Mr Buckland) did, when we have several other serious debates to come? If the Conservatives are afraid to debate social welfare legal aid, they should say so. Otherwise he should get on with it and allow the House to debate these important amendments tonight.

7.45 pm

Ben Gummer: Again, I regret what the shadow Minister has said. On several occasions, I have sat through three hours of speeches from him in Committee—

Mr Djanogly: One speech.

Ben Gummer: That was one speech. On several occasions, we had three-hour speeches where points were recycled and regurgitated without use to the legislative process. It is unfortunate that the hon. Gentleman claims that I am padding things out, as I hope that I am addressing points not yet raised in this Chamber. I am going to do so briefly. I feel I should do so, as although I am happy to admit that I am not someone from a legal background and that I do not have a previous interest in this area of domestic violence, I have the experience of sitting in the Public Bill Committee and understanding the arguments put both by the Opposition and the Government in this difficult area. I speak as a layman and I hope to offer my support to points made by Members on both sides of the House.

On amendment 113, tabled by the hon. Member for Brighton, Pavilion (Caroline Lucas), we face a small issue about whether people from the European economic area are caught within this legislation. It will cover only a small handful of people, but the inevitable consequence of missing it out—if that happens—is that there will be some travesty and miscarriage of justice precisely in a case where someone falls through the gap. I hope that the Government will carefully examine that suggestion in the first half of the amendment.

[Ben Gummer]

I also fully support what my hon. Friend the Member for South Swindon said about undertakings. I have heard much evidence from people practising in this field who give a reasonable argument that a counter-productive eventuality of this Bill is that, if undertakings are excluded, it could end up greatly prolonging cases, and not only to the detriment of litigants: it would also affect the costs of the court. I hope that his constructive and sensible suggestions, which come with considerable experience of sitting on the bench and acting as counsel, will be taken up by the Government as the fair-minded suggestions that they are.

More broadly, we have a problem on self-reporting. I hope that hon. Members, especially Labour Members, will bear me out on this. Anyone who has contact with the family courts and who talks to family judges will know about the impact that allegations of child abuse have had in private law cases. In the opinion of many counsel and judges, in the past few years, allegations of child abuse have increasingly been made far too readily when no substance is behind the claims. It would be unfortunate if, under the new regime, allegations of domestic abuse and domestic violence were made as a precept to gain legal aid, because that would devalue the claims other people make completely legitimately. That is what is happening in the courts at the moment with allegations of child abuse. Several judges have remarked to me that so often is it claimed that one party or another has committed child abuse, it is beginning to numb the senses of the judges hearing those cases. It would be wrong if a similar situation were to arise with this new regime. The Government must therefore phrase the definition of domestic violence very carefully.

I hope that the Government have heard the concerns of Opposition and Government Members, such as those of my hon. Friend the Member for South Swindon, those that my hon. Friend the Member for Broxtowe has voiced on several occasions, and those raised today by my hon. Friend the Member for Maidstone and The Weald (Mrs Grant). I can hear from the way in which the Minister has been replying that he understands that some sort of uniformity would be desirable across government and that some recognition of the problems of encapsulating a definition within the Bill will be made here or in another place.

The Opposition went into the last election saying that they would seek cuts to legal aid and that promise has been reiterated both by the Leader of the Opposition, in January, and the shadow Secretary of State, who is sitting on the Front Bench, on several occasions. However, in Committee, the shadow Minister tabled dozens of amendments, some of which were, by his own admission, contradictory and many of which were culled from the handouts given by lobbyists, which extended considerably the Committee's deliberations when we could have been discussing the meat of the proposals as we have tried to do today. He came to the House with a new amendment having denied the Public Bill Committee the ability to consider properly many of the issues that we should have discussed.

Mr Llwyd: What about the fantastic announcement today of the three areas of law that are to be slid into the Bill tomorrow? We have not seen any of those proposals yet.

Ben Gummer: As ever, I am pleased by the right hon. Gentleman's intervention because he highlights an inconsistency in the Opposition's argument. They cannot say on the one hand that the Government are not listening and that the legislative process does not work—he said earlier that the pre-legislative system was not working—but on the other, when amendments are made, that the Government are either committing a U-turn or not listening. I do not understand how the Opposition and the right hon. Gentleman can reconcile those two statements.

Mr Llwyd: The hon. Gentleman was waxing lyrical about the absence of time to discuss Opposition amendments, but his party is equally to blame in that we have not even had sight of their amendments. At least the Opposition amendments were available to be seen before today; we have not even seen the amendments that are the subject of today's announcement. That is the point I am making.

Ben Gummer: The right hon. Gentleman misses my point about the Public Bill Committee. There are many issues that needed to be raised that we could have fleshed out at greater length, but the Opposition tabled so many specious amendments, many of which were completely contradictory—largely in the name of the shadow Minister, not that of the hon. Member for Stretford and Urmston (Kate Green), who is shaking her head—that we did not get to the meat of some of the issues in the amendment we are debating. Had we been able to discuss sub-paragraph (10)(j) of amendment 74, which the shadow Minister has tabled, we might have been able to improve the Opposition's amendment so that it could be acceptable to Members on both sides of the House. Instead, we have an amendment that was tabled a couple of days ago with aspects that clearly would not hold up to further legislative scrutiny. It is a pity that we did not have that discussion in Committee instead of discussing a series of amendments, some of which I doubt the shadow Minister had even read before he started speaking to them.

Putting all that aside, a principal issue for me is that many of the amendments tabled by the shadow Minister in Committee would have committed his party to spending increases costing £245 million, but whenever I or other members asked whether the Opposition had any alternative spending plans, they told us to look at the Law Society's plans. Unfortunately, the Law Society has had to revise its plans, which were found wanting.

Mr Slaughter: What does this have to do with the debate?

Ben Gummer: I am just coming to that if the hon. Gentleman will listen.

When they table amendments, the Opposition have a duty to explain how their changes would be paid for and what balances would be made elsewhere in the Bill, but so far we have had nothing to substantiate how they would do that, and neither do we have any idea how their changes would fit into the general pattern of the Bill. I cannot therefore vote for their amendment or that of the hon. Member for Brighton, Pavilion—amendment 113—as neither is complete and nor have they been properly discussed.

In conclusion, I hope that we can continue our proceedings without trying to politicise the issue of domestic violence. I hope we can discuss the precise provisions in the Bill without throwing what I feel have been intemperate and sometimes misjudged accusations at one side purely because they happen to disagree with the assertions put by the other.

Mr Djanogly: First, let me confirm to my hon. Friend the Member for South Swindon (Mr Buckland) and other hon. Members that I have listened carefully to the debate, which has been informed and varied. A significant number of general and more specific issues have come up in our deliberations. I agree with my hon. Friend the Member for Ipswich (Ben Gummer) that the debate has, in some ways, become too polarised given the significant agreement and consensus among all hon. Members about the need to counter domestic violence.

Given the number of issues to address, it is hard to know where to start, but I shall begin with the definition of abuse, which was mentioned by the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd) and the hon. Members for Stretford and Urmston (Kate Green), for Brighton, Pavilion (Caroline Lucas) and for Bishop Auckland (Helen Goodman). The accusation is that the definition of abuse in the Bill narrows the scope of legal aid in comparison with ACPO's definition. The right hon. Gentleman said that the Bill weakened the definition of abuse. I can confirm to the hon. Member for Brighton, Pavilion that the definition in the Bill does not require physical abuse. Both the ACPO definition and the Bill definition are very broad and embrace abuse that is not physical, and it is difficult to see what description of behaviour in the ACPO definition would not be covered by the broad description of physical or mental abuse used in the Bill.

The right hon. Gentleman suggested that I said in Committee that to widen the definition of domestic violence would induce self-reporting. As I think my hon. Friend the Member for Ipswich was heading towards saying, that confuses the definition of abuse, which determines scope, and the criteria for an individual to qualify. The definition of abuse in the Bill is broad and it is difficult to see how it does not cover that which is covered by the ACPO definition. Neither definition says anything about how abuse is to be evidenced.

My hon. Friend the Member for South Swindon injected a sense of balance into the debate and I noted his condemnation of archaic and unacceptable language. I think we can all agree on that.

The right hon. Gentleman spoke about the Bill and ACPO definitions of domestic violence. To put an end to this issue, let me say that if any right hon. or hon. Member can write to me with a specific, concrete example of abuse that would be covered by the ACPO definition but not by the definition in the Bill I will give the issue serious consideration.

Kate Green: I am not going to give the Minister an example of that. If he is so sure that there is such an overlap, why not use the ACPO definition?

Mr Djanogly: I look forward to the hon. Lady providing her reasons why that should be the case.

The right hon. Member for Dwyfor Meirionnydd made a significant number of points for his significant number of amendments, most of which I covered in my preliminary remarks, and I do not intend to go over them all again. However, he mentioned two particular points that I did not cover, so if he does not mind I will concentrate on those.

It is not clear that amendments 92 or 93 would widen the category of services described in paragraph 10 significantly or at all. The definition of abuse used in the Bill is intentionally broad and not limited to physical violence, but it embraces physical or mental abuse. Abuse is stated to include sexual abuse and abuse in the form of violence, neglect, maltreatment and exploitation, but it is not limited to those examples. Therefore, we believe that it is sufficiently flexible to cover cases of genuine abuse, as is the intention. Both amendments refer to physical and mental abuse, which are already explicitly referred to in the Bill's definition. Additionally, they refer to threatening behaviour, violence and emotional abuse, which are clearly within the scope of physical and mental abuse and so are unnecessary and add nothing to the breadth of the category.

Further reference is made to financial abuse. It is not entirely clear what that would cover outside the context of serious cases where the treatment of one party by the other in relation to the family finances amounts to physical or, in particular, mental abuse, which would include neglect, maltreatment and exploitation in the Bill's definition, where it is clearly within the definition of abuse in the Bill. Where the financial abuse does not amount to or form part of physical or mental abuse, it could be argued that the amendment would widen the gateway beyond what might be ordinarily understood as abusive behaviour, but in a way where the effect is unclear. For instance, there is no special reference to financial abuse in the provisions of the Family Law Act 1996 to protect against domestic violence or in case law, in contrast to emotional or psychological abuse, so it is questionable what it would add in this regard.

However, the amendment also stipulates that any incident of abuse would suffice to come within the category. On one construction, that would make no difference since the existing definition does not require a course of conduct, but on another construction it might be argued that the explicit reference to any incident could be read as a fetter on the power to define what would be accepted as sufficient evidence of abuse through secondary legislation. That is because the type of evidence acceptable will reflect a certain degree of seriousness. For instance, a family court will not generally make orders relating to minor, one-off incidents, although it will do so in appropriate circumstances, such as a course of conduct of trivial incidents adding up to something more serious.

It is not clear that any challenge to secondary legislation requiring forms of evidence that in themselves are unlikely to arise from minor, single incidents would have any prospect of success, but the risk cannot be entirely ruled out. Were it impossible to prescribe the forms of evidence proposed to date, we estimate that the consequent opening up of eligibility would at the very least double the cost of the domestic violence gateway to £130 million per annum.

The part of amendment 23 that refers to violence or abuse

> "between adults who are or have been intimate partners or family members, regardless of gender or sexuality"

is superfluous, since it duplicates the effect of paragraph 10(7), which sets out that for the purposes of

[Mr Djanogly]

the paragraph there is a family relationship between two people if they are associated with each other. That "associated" has the same meaning as set out in part 4 of the 1996 Act, where it is defined very widely and covers a range of relationships no less wide, and in some instances wider, than the ACPO definition.

Amendment 93 would widen the domestic violence gateway so that legal aid would be available for the potential victim in private family law cases where there has been an as yet unproven allegation of abuse, or of the risk of abuse. It would make the gateway extremely wide and, in effect, would mean that self-reporting would have to be accepted as sufficient evidence of domestic violence, making any other evidentiary requirements redundant. It would be difficult to limit very far the forms of evidence of an allegation of abuse, or of the risk of abuse, that would be accepted. We estimate that that would at the very least double the cost of the domestic violence gateway to £130 million per annum.

The amendment refers to allegations that person B has been abused by person A. In paragraph 10 of schedule 1, it is person A who is the victim, and person B who is the abuser—the other way around. However, the amendment does not change the opening proposition, which is that the services are provided to person A. This appears to have the perverse consequence that if the proven abuser, person B, alleges that the proven victim, person A, was the abuser, person A would qualify more easily for legal aid as they would then have to give as evidence only an allegation by person B of abuse or the risk of abuse. That is almost certainly a drafting error, but if it is not, and the intention is instead to ensure that legal aid would be available where either party might be the victim of abuse, that would be unnecessary.

In relation to amendment 97, the intended effect is unnecessary because section 37 proceedings are public law matters and it would be possible, in private law proceedings, for a court that is considering a section 37 order to adjourn so that the parents, if they are not already represented, may have access to legal aid and representation under the public law heading. The actual effect is rather wider. However, the amendment would bring the whole of family proceedings, such as proceedings for residence and contact with children, into scope where the court considers making a section 37 direction, rather than simply consideration of that point. Again, this may be a matter of defective drafting, but if so the entire amendment would be superfluous.

The right hon. Gentleman also asked whether an adjournment would introduce a delay in protecting a child. We would expect a court to adjourn a hearing only if it considered it safe to do so. The only way to avoid the potential of being a section 37 direction being made at a hearing involving unrepresented parents would be by providing legal aid for all private law children cases, which we believe would be a disproportionate response. There is already the potential for section 37 directions to be made in cases involving litigants in person under the present system, but as I have said, legal aid is available and will be in future to challenge such a direction.

A significant number of comments were made in relation to amendment 74. The hon. Member for Hammersmith (Mr Slaughter) indicated that he will want to press it to a Division, so I will spend some time on it. I agree that it is an important matter. He said that he understands our intent. Does he understand that we need to have savings in legal aid? I am not sure what he meant when he said that he understands our intent—*[Interruption.]* He says that he will address that in a later debate, but I think that it is quite an important issue. In contrast to what he said, his right hon. Friend the shadow Secretary of State recognised in an article published only this morning that

"cuts need to be made".

Looking at the amendments tabled by Opposition Members, I cannot see where those cuts will be made. We have had a little look at what they are proposing. The estimated costs of the Opposition amendments are: £20 million in debt matters, £5 million in employment matters, £15 million in housing matters, £25 million in welfare benefits matters, £10 million in clinical negligence matters and £170 million in family law matters. The total is £245 million. The taxpayer deserves to know where the money for that will come from.

Let me address the actual effect of amendment 74. To set out in the Bill the circumstances as specified in the amendment that should be accepted as evidence of domestic violence for the purposes of legal aid for the victim in a private family law case would mean that those circumstances, but not those that the Government intend to accept as evidence of domestic violence, would be set out in primary legislation. The Government would therefore have no power at all to amend those circumstances through secondary legislation. They would be in addition to any circumstances set out in secondary legislation for providing appropriate evidence of abuse. We expect that significantly more cases would receive funding if the circumstances set out in either amendment were accepted as evidence. The hon. Member for Edinburgh East (Sheila Gilmore) and others mentioned their concern about the issue of incentives for false allegations of domestic violence, but we received a significant number of responses to the consultation that expressed concern that there might be a rise in unfounded allegations of domestic violence, and the respondents expressing such concerns included the Law Society and the Bar Council.

Fiona Mactaggart: The hon. Gentleman is concerned that there might be a rise in unfounded allegations of domestic violence, but does he accept that if his proposals go through there will be an increase in the number of women who are victims of domestic violence and unable to access legal aid?

Mr Djanogly: No. Our proposals are aimed at ensuring that those who are subjected to domestic violence are kept within the scope of legal aid.

Many hon. Members have said, "Shouldn't any incident of abuse trigger legal aid?" Some have said that we should limit it, and the hon. Member for Hammersmith has put in certain but, given his amendment, not very many limitations. The hon. Member for Edinburgh East accused me of being obsessed with false claims. I am not, but we need to appreciate that such a provision would have serious financial consequences, as it would lead to funding in cases in which the abusive behaviour, although unacceptable, might be very marginal.

Clearly, a single incident of abuse can be very serious, but a single one-off incident of non-physical abuse, such as angry and upsetting words spoken during an

argument, can be relatively minor, because they have no real effect on the victim's ultimate ability to face the other party in proceedings.

On amendment 74, specifically, my hon. Friend the Member for South Swindon, my right hon. Friend the Member for Carshalton and Wallington (Tom Brake) and my hon. Friends the Members for Ipswich and for Maidstone and The Weald (Mrs Grant) asked whether we would accept undertakings given in civil proceedings as evidence of domestic violence, and I will look at that issue further. The Government's current position is that a person can give an undertaking, for instance not to be violent towards family members, without admitting to domestic violence, meaning that undertakings may be given in cases where domestic violence has not taken place. We do not think that undertakings would provide sufficiently clear objective evidence that domestic violence has occurred, but we shall look into that further.

My hon. Friend the Member for Maidstone and The Weald also asked whether the fact that the definition of abuse is not specific will make its use more difficult in court, but the definition in the Bill will not be used in proceedings for domestic violence orders under the Family Law Act 1996. There is no definition at all of domestic violence in the 1996 Act, but the courts have experienced no difficulties, so neither the Bill's definition nor the ACPO definition will be used in such proceedings.

The hon. Member for Hammersmith discussed a finding of fact in a family law court, and he asked how people would get legal aid in that context. They will not get legal aid to bring the case, as legal aid will be triggered only when the court has made a finding of fact, but an applicant will be able to submit written evidence of any abuse if relevant to proceedings, and a judge will be able to intervene to prevent inappropriate questioning.

Several hon. Members, including the hon. Gentleman, made a series of points about the specifics of amendment 74, so let me deal with those, including what would be accepted from various people as evidence in order to qualify for domestic violence. Accepting police cautions would be inconsistent with our proposal to include in the criteria "criminal convictions unless that conviction is spent", as simple cautions are not convictions and become spent immediately.

A harassment warning is notice that a complaint has been received by the police; it is not considered to be proof that an offence has occurred, and police are not obliged to investigate the allegation. We therefore do not consider that harassment warnings would provide sufficiently clear objective evidence that domestic violence has occurred.

8.15 pm

On police investigations or call-outs, we do not consider that an investigation by the police or the police having been called out would provide sufficiently clear objective evidence that domestic violence had occurred. The call-out or the investigation could be inconclusive, or the police might determine that domestic violence has not taken place, but any such evidence could be taken into account by a court when assessing whether abuse has occurred, and if it goes on to make an injunction or a finding of fact that it has, and the victim is at risk, legal aid will be available, so all those sources of evidence could be factors in triggering legal aid, even if not they are sufficient in and of themselves.

The hon. Member for Bishop Auckland discussed whether we should accept admission to a refuge, and other hon. Members might have made the point as well, but we are concerned that to include admission to a refuge in the criteria would be to rely on self-reporting and to place pressure on those organisations that provide refuges. Their assistance might be sought with greater frequency if they had a role in triggering access to legal aid.

The hon. Member for Hammersmith and others asked whether we would accept evidence from medical professionals, but we are not convinced that they would be best placed to assess whether domestic violence has occurred. They might witness injuries, but it might be difficult for them to determine how they had occurred, and again there would be strong elements of self-reporting, rather than objective evidence. Evidence from medical professionals could, however, depending on the circumstances and on a judge's assessment, lead in the family courts to a finding of fact that domestic violence had occurred, and that would trigger funding.

Another hon. Member asked whether victims of domestic violence and their children could be cross-examined by the perpetrator, but judges have the powers and the training to manage the situation and to ensure that it is handled sensitively for the person giving evidence. For example, judges can have questions relayed to witnesses, rather than asked directly; they can use video-links; and they can intervene to prevent inappropriate questions. Under the current legal aid system, that is often the case and often has to happen.

The hon. Member for Hammersmith stated that only a minority of women apply to the courts for a protective injunction against domestic violence, because, for instance, they do not trust the judicial system, so they will not get legal aid. Domestic violence is of course a very serious issue, and of course victims need support in all sorts of ways, but there is a distinction between all victims of domestic violence and those who seek to take legal action in the family courts in relation to child contact or financial issues. Such women are prepared to go to court, and they may well be more likely to apply for an injunction.

The right hon. Member for Dwyfor Meirionnydd and others suggested that, for the Government, money comes before safety, but that is entirely rejected. Yes, we do have to make savings from a legal aid system that costs this country £2.2 billion a year, and we are proposing £350 million of savings during this savings period, but we will spend an estimated £120 million a year on private family law, including domestic violence, after the changes. As I said earlier, this includes funding for about a quarter of the private family law cases that currently receive legal aid.

I think it was the hon. Member for Hammersmith who said that women would often not do anything about domestic violence for fear of jeopardising their immigration status. I made some remarks about this earlier, and I shall not repeat them, but those are the cases that we are going to bring back into scope through Government amendments 59 and 63.

My right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes) said that 61% of immigration appeals were successful, and that that demonstrated a need for legal aid for such cases. However, most appeals are factual and are not brought on points

of law. I said to him earlier that I would consider further the question of complex cases, and I will come back to him on that.

Sir Alan Beith: What that 61% success rate on appeal demonstrates is a bad decision-making system. Ought not the Minister be more sympathetic to the Justice Committee's view that Departments that make their decisions so badly that they generate large numbers of successful appeals should be penalised, perhaps even to the extent of contributing to a fund for the advice agencies that help the people who are affected?

Mr Djanogly: My right hon. Friend makes a good point. High levels of successful appeals perhaps show that too many cases are going before the tribunals in the first place. The other day, I saw a figure of about 80% for special educational needs tribunals, which was not very impressive either. I can also tell him that I am personally engaging with Ministers in the Home Office, the Department for Work and Pensions and the Department for Education with the specific intention of getting them to work with the Department of Justice to improve their initial decision making. I am pleased to say that they are all are working with us, and that they want to make the system better. This is a matter of significant concern to me, not least because I would like to see fewer appeals relating to my Department coming through the courts and tribunals.

The hon. Member for Brighton, Pavilion (Caroline Lucas) talked about domestic violence, immigration and legal aid. She also talked about people who fall outside the domestic violence immigration rule, such as EEA nationals. As I mentioned earlier, we are looking at cases of EEA spouses who have suffered dramatic abuse. The right hon. Member for Dwyfor Meirionnydd mentioned immigration judicial reviews. I think that he accused the Government of putting appellants into a Catch-22 situation because legal aid would not be available for immigration appeals or for some judicial reviews. I can tell him, however, that people will still be able to appeal immigration decisions themselves and, as is often the case at the moment, they will still be able to get legal aid for a subsequent judicial review, as long as it is not on exactly the same or substantially similar issues, or on a removal direction. As I said earlier, we are making various exceptions to the exclusions, which will include ensuring that, when there has been no possibility of an appeal, legal aid will remain for judicial review.

My right hon. Friend the Member for Bermondsey and Old Southwark raised various points about immigration, and I will write to him about those. He specifically mentioned children, as did other hon. Members, so I shall briefly address that point. In most immigration cases, a child's interests are represented by their parent or guardian. Most cases in which a child is unaccompanied involve an asylum claim, and legal aid will remain for those cases as at present. Unaccompanied children with an asylum or immigration issue would have a social worker assigned to them, whose role would include helping the child to gain access to the same advice and support as a child who was permanently settled in the UK. They could also offer assistance with filling in forms and explaining terms, and give emotional support. Legal support in such immigration cases may be found, if needed, from law centres and from pro bono legal representation. The Refugee Council provides services for separated children, which can include litigation friends.

A number of hon. Members asked how we justified plans that could disproportionately affect women. That question has also been asked in relation to disabled people, ethnic minorities and people who live in rural areas. The equalities impact assessment, published alongside the Government's response to consultation, sets out our analysis of how the reforms will affect people with protected characteristics as set out in the Equality Act 2010. We have identified the potential for the reforms to have a greater impact on some groups, but we believe that those impacts are proportionate, and justified by the need to meet our objectives, including the pressing need to make savings from legal aid. We are also keeping discrimination claims relating to a contravention of the Equality Act 2010 within the scope of legal aid, which we consider will make a significant contribution to the fulfilment of our public sector equality duty.

The hon. Member for Stretford and Urmston asked about the removal of legal aid in many family cases, which she said would remove access to justice from many people. She asked how that could be right. Legal aid will remain available for family mediation and private family law cases, including private law children and family proceedings and ancillary relief proceedings. We want to encourage more use of such mediation. In ancillary relief cases, courts will be able to make orders for payment against a third party or a party who has the means to fund the costs of representation for the other party. Removing costly and often unnecessary legal aid does not mean removing access to justice. Litigants in person already feature in the justice system. Judges and magistrates currently assist litigants in person without compromising their impartiality, and we expect that to continue.

Finally, I was asked whether we expect all cases to be resolved through mediation. As I said earlier, the answer is categorically no. Cases involving domestic violence and child abuse, and emergency cases will still not be required to go through mediation. In addition, exceptional funding will be available when necessary for the UK to meet its international and domestic legal obligations via a proposed scheme for excluded cases. On that note, I rest my case.

Amendment 10 agreed to.

Mr Elfyn Llwyd: I beg to move amendment 80, page 99, line 21, leave out 'other than' and insert 'including'.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following: Amendment 85, page 110, line 18, leave out 'other than clinical negligence'.

Amendment 143, page 110, line 18, leave out 'other than' and insert 'including'.

Amendment 86, page 110, leave out lines 28 to 30.

Amendment 142, page 110, line 32, at end insert—

19A (1) civil legal services provided in relation to Clinical Negligence.

(2) In this paragraph clinical negligence means breach of duty or care or trespass to the person committed in the course of the provision of clinical or medical services (including dental or nursing services)'.

Amendment 88, page 111, line 4, leave out 'other than' and insert 'including'.

Amendment 132, page 118, line 27, after 'negligence', insert

'with the exception of clinical negligence'.

Mr Llwyd: I will be brief, because other hon. Members wish to speak and, crucially, we need to get to the social justice provisions. The purpose of amendment 80 is to bring clinical negligence back within scope in cases involving abuse of a child or a vulnerable adult. Amendment 88 is designed to retain specific provision for tort and damages claims engaging European convention rights, and extending provision to cases involving clinical negligence. Amendments 85 and 86 are consequential, and cover the abuse of a position of power by a public authority. They would specifically provide for cases involving a particularly serious variety of public wrongdoing and would remove the exclusion of clinical negligence cases in such a context.

Taken together, the amendments reflect my concern, which I know is shared by many hon. Members, about the huge gaps in protection of the vulnerable that will come about as result of implementation of the exceptions to funding by legal aid. What is perhaps most concerning in such instances is that individuals will come up against the state during proceedings. People involved in cases of clinical negligence by a public authority are, by definition, at their most destitute. Frequently, parents or other family members will bring cases against public authorities resulting from traumatic injuries sustained by their children and their relatives.

As the hon. Member for Makerfield (Yvonne Fovargue) said in Committee:

"the inequality of arms is never more obvious than when an individual comes up against a decision made by the state".—[*Official Report, Legal Aid, Sentencing and Punishment of Offenders Public Bill Committee*, 7 September 2011; c. 327.]

That is because the state will always have access to full and expert legal advice, and will often have a team of lawyers at its ready disposal. That is even more ironic when we consider the stark fact that the state should have a responsibility to ensure that every individual has the means to hold it to account. I said that on Second Reading, and I do so again. In the reforms, the Government seem to have lost sight of that all-important state duty to support the vulnerable, as well as to protect them.

The Minister said in Committee that there is often a viable source of alternative funding for cases of clinical negligence through contingency fee arrangements. That sounds all right, but is not as simple as it sounds. What about the people who, on entering into such an arrangement with solicitors, would not be able to afford a policy to cover them for the initial necessary medical examinations? I know that some ground has been given on that, but I would be grateful to hear more. For many parents, for example, contingency fees cannot be the answer since they do not have the money up front to buy a policy to provide cover when making an arrangement with solicitors. Indeed, very few firms would take on a clinical negligence case on a no win, no fee basis because of the complexity and specialism involved in this area of civil law.

8.30 pm

The Government seem content to find fault with solicitors in this matter. Indeed, they seem almost to assume that lawyers tend to drag things out in proceedings. I can assure this House that it is quite the reverse. In my experience of litigating against health authorities, they are among the most unco-operative bodies one will ever encounter. Often, they withdraw or even hide evidence until the very last minute, and deliberately obfuscate. Individuals finding themselves litigating in person against these authorities are in a dead-loss situation.

Stephen Phillips (Sleaford and North Hykeham) (Con): The hon. Gentleman is making a very serious charge against public authorities, and indeed those who represent them, by suggesting that they obfuscate and withhold evidence in circumstances where their disclosure obligations are very clear under the civil procedure rules. Can he put some flesh on the bones and substantiate his allegation?

Mr Llwyd: I do not have any cases with me today, but I can assure the hon. Gentleman that I would not make the allegation without some evidence.

Karl Turner: Does the hon. Gentleman agree that it is often the public policy of these authorities—certainly, in my experience, the national health service—to delay? I could not provide any examples either, but in my experience, they do delay.

Mr Llwyd: That is the point. Unless and until there is full disclosure at the very earliest point, these cases will be drawn out until the evidence is available. Everybody knows that any case against a health authority has to rely on expert evidence, and it is impossible to have that without experts' reports from the health authority. This is the conundrum facing people who are often two, three or four years down the road and still no nearer to a conclusion. That is exactly the position that many people report, and that is why lots of these cases are, as we hear, high-value cases.

Stephen Phillips: The hon. Gentleman will obviously have absolutely no doubt about the bona fides of the charges that he is effectively laying at the doors of the national health service and others, but does he ascribe the position to problems with management or to seeking to protect individual medical practitioners? The two seem to me to be very different.

Mr Llwyd: I would speculate and say that it is probably to do with management rather than protecting individual practitioners, but I cannot give any assurances on that. What I am saying here today is common knowledge out there; it is not a new allegation that I have dreamed up just to try to grab a headline at this late stage. *[Interruption.]* To answer the hon. Gentleman's question honestly, I do not know, but I would guess that it is a management issue, because whenever there is a claim, it is reported to management immediately—on the very first day, I expect.

Stephen Barclay (North East Cambridgeshire) (Con): If it is a management issue, then that, as we have seen in the Public Accounts Committee, goes to the issue of accountability and governing structure. Should not the hon. Gentleman therefore be focusing his remarks on how those issues are tackled rather than trying to perpetuate an ever-increasing legal aid bill, which amounts to fixing the symptoms of the problem rather than addressing its cause?

Mr Llwyd: If the hon. Gentleman will bear with me, I will go back to my script; he may be interested to hear this part because it deals with the point that he rightly makes. If there were a duty on responsible bodies such as health authorities immediately to come clean with evidence, there would probably have been no need for these amendments because we would not be in the position that we are in. Side by side, on a parallel basis, we need to ensure that all health authorities, and any public bodies, are responsible in their dealings with the public; that goes without saying.

There are about 1 million adverse occurrences or accidents in the NHS every year, and about 10,000 lead to action being taken against the NHS. It is, therefore, a big area of law. In the earlier debate, the point was made that 66% of immigration appeals succeed because the initial decision was bad. In this instance, there would be far fewer long, drawn-out cases if all health authorities and public bodies were under a duty to disclose fully and urgently, and there would not be the astronomical costs that some of these cases result in.

Stephen Barclay: The right hon. Gentleman's remarks are addressing supply, not demand. He is not addressing why there are so many clinical negligence cases, nor why the insurance that is charged is going up exponentially. There are existing rules for special severance payments for whistleblowers but, as was found in the National Audit Office's report in 2005 and the Public Accounts Committee's recommendations in 2006, there is still a problem in the way whistleblowers are tackled in the NHS and in the way such cases are dragged out. That is a failure of the previous Government. It is to that failure that he should address his remarks; not to the fact that we continue to fix a problem that is growing exponentially year on year.

Mr Llwyd: The number of cases each year because of accidents or negligence has not really increased. It has been around the 10,000 mark for many years. There has not been a sudden rise in specious claims in this area. This is not a growing market. I hear what the hon. Gentleman says and I agree that we should ensure that there is far better practice.

Such cases are capable of being resolved far earlier and without recourse to litigation. Medium-sized cases are often resolved by the hospital or health authority without resorting to litigation, and that is fine. However, in large cases, such as where a child is brain-damaged at birth, there is no appetite from either side to settle it in the hospital. Such cases are often extremely expensive because the child's life has been ruined for their entire existence. That is why I raise these matters.

I hope that the hon. Member for Kingston upon Hull East (Karl Turner) will make a contribution because I know that he, too, has been campaigning on this issue. I will confine my remarks to those few points.

Tom Brake: I rise to make a few brief comments, particularly in relation to amendment 132, which appears in my name.

I have been ably supported by Action against Medical Accidents, which campaigns on the issue of clinical negligence and for a statutory duty of candour in relation to accidents in the NHS. If there was a statutory duty to confirm, at the outset, that an accident had taken place, it might ensure that many cases involving the NHS, which can drag on for many years, were brought to a much earlier conclusion. If, as was suggested earlier, it is management who get in the way of resolving such cases, they would not be able interfere to the same extent to delay proceedings—if, indeed, that is what they do—if confirmation that an accident had taken place was given at the outset.

I will focus on legal aid representation in relation to medical negligence. I welcome the confirmation we have been given that £6 million or £7 million of the £16 million that is currently spent on legal aid for medical negligence will be retained under the "Exceptional Funding" heading. The sum that is being discussed is therefore in the order of £10 million. Although we have received assurances that exceptional funding will be able to deal with many of the intense cases with which Members are familiar, such as cases of babies who have been seriously injured at birth, the question remains: which cases will not be funded once that £10 million is withdrawn from legal aid for medical negligence cases?

Given that the Government have a significant budget deficit to address and that this measure is part of that programme, I do not want to come empty-handed when it comes to saying where additional funding could come from if the Government were to restore that money. Later on, we will debate amendment 144, which is in my name. It would introduce a presumption against sending people to prison for a prison sentence of six months or less. The organisation that has done the calculations suggests that that could save the Government up to £400 million a year. That might be a slight or even a gross exaggeration of how much money could be saved, but it would be not unrealistic to expect that savings of the order of £10 million would be achievable if the Government were to look kindly on that amendment.

Medical negligence is high-profile. It might affect a relatively small number of families, but when it does, it does so dramatically.

Karl Turner: Does the right hon. Gentleman want his amendment to be pressed to a Division?

Tom Brake: My colleagues and I will get used to interventions of that nature, but the hon. Gentleman will not be surprised to hear that I am expecting some reassurance from the Minister that the Government do not have a closed mind. Even if we cannot make progress in the House, there could be opportunities in another place to do so. I am just putting down a marker for the Government that they should entertain that idea.

Stephen Phillips: As I understand it, amendment 132 relates to medical negligence within the scope of the European convention on human rights, which is excluded from legal aid in the Bill. If it is a probing amendment, will the right hon. Gentleman indicate the sort of cases he has in mind? I cannot envisage a case involving convention rights that would involve medical negligence.

Tom Brake: I thank the hon. and learned Gentleman for his intervention, even if he has identified a flaw in my proposal. The funding available for legal aid in cases of medical negligence deals with the serious cases with which Members will be very familiar, such as obstetric accidents. However, I am seeking clarification from the

Minister, because although some of the funding for dealing with such cases will still be available through exceptional funding, some of it will no longer be available. I am seeking confirmation from the Government that all very serious cases will be addressed through the exceptional funding route. I hope it will be possible for the Government to identify additional funding to address the funding gap for any remaining cases, as I have done in amendment 144.

Karl Turner: I rise to speak to amendment 142, which is in my name and those of my hon. Friend the Member for Hammersmith (Mr Slaughter) and the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd)—I think that that is the correct pronunciation of his constituency, but I apologise to him if it is not.

The amendment would put clinical negligence back into the scope of legal aid. The Bill will exclude many important areas of law from the scope of legal aid entirely, all of which deeply concern me.

8.45 pm

In my remarks, however, I wish to address specifically the issue of removing clinical negligence from the scope of legal aid, which will restrict access to justice for the very vulnerable, many of whom, no doubt, will reside in my constituency. Victims of clinical negligence will suffer a double hit in the Bill: not only will they be unable to gain access to legal aid, but they will suffer the prospect of paying crippling legal fees from their hard-fought-for damages. The Government tell us, "That's not a problem, because conditional fee arrangements offer a safety net to victims of criminal negligence." I respectfully suggest that that is not the position.

If CFAs were being left with their integrity intact, as the previous Government had intended, I might have some sympathy with the Government's argument. CFAs were, if I am right, introduced by the previous Government to ensure that people who did not qualify for legal aid had an opportunity to instruct solicitors on a no win, no fee basis. Solicitors often take on complex and risky cases, knowing that they can claim costs and a success fee from the losing party, but proposed changes will result in victims who win their case paying costly legal fees out of their damages. That cannot be right. Damages are not, as the Government would have us believe, some sort of lottery win. They are paid for damage done to the individual. It is about putting a person who has suffered a loss back into the position they were in before the injury occurred.

That point was summed up well by a criminal negligence lawyer in my constituency. Natalie Simkin is a solicitor for Williamsons solicitors, which is based in Hull city centre and deals with a great deal of these cases. She said:

> "People do not choose to be injured and many suffer financial hardship because of their injuries... Is it really fair that they should lose some of their rightful compensation to spare the wrongdoer the full cost of putting things right?"

I agree with her remarks. In Committee, the Minister argued that some clinical cases would continue to receive legal aid funding through the exceptional funding scheme, but he did not bother to explain to the Committee the detail of that scheme. I wonder whether, when he comes to the Dispatch Box, he will explain fully the detail of that scheme. In my view, it will be extremely difficult.

These cases seriously affect the most vulnerable people, including those who cannot afford to instruct solicitors and barristers. It is about the baby who suffers from the negligence of health service professionals, having been left for too long in the birth canal, as happened in a constituency case brought to me recently that has been going on for many, many years. It has involved protracted litigation, arguments to and fro between solicitors and advice from counsel, and it has been going on for about nine years. It involves unbelievably slow, complex and detailed law that people find difficult to comprehend. Some of those people would be left to paddle their own canoes as a result of the Bill. That cannot be right.

Another case from my constituency, of which I have some knowledge, involved a man who visited his GP's surgery three times in three days complaining of severe stomach pain. He was prescribed Gaviscon for his intense stomach pain, but collapsed some days later and was rushed to Hull royal infirmary. Having spent some time in the high-dependency unit, he died, leaving three sons. With the help of a litigation friend, those boys were able to seek legal redress. After five years, the case was settled out of court, after much to-ing and fro-ing between solicitors. I know something about that case because it was the case of my own brother, who died as a result of his GP's medical negligence.

Access to justice is the cornerstone of a modern democratic society, and legal aid provides it for the most vulnerable. It seems bonkers that the Government should accept that self-litigation is likely to result from this Bill—to be honest, I find it shocking. Indeed, in his submissions and contributions in Committee, the Minister offered self-litigation as some sort of remedy. It is unbelievable to say that people can deal with complex cases without the help of solicitors and lawyers. Encouraging self-litigation for clinical negligence cases is economically short-sighted as well. I firmly believe that it will clog up the system; indeed, I think the Judges Council in England and Wales has made that very point.

The Government have ignored all that. The Bar Council made representations to the Government in the consultation, but it, too, has been ignored. Indeed, looking across the Chamber, I see two silks on the Government Back Benches. I do not know this for sure, but I am pretty confident that both will have made representations to the Minister about how they, as experienced practitioners, believe the Bill's legal aid provisions will affect the justice system, all of which he has ignored. Perhaps the Government ought to consider promoting those Back Benchers to the Front Bench, because I can assure the House that such experienced, eminent members of the Bar would be able to assist them.

I have further concerns about patient safety if clinical negligence cases are removed from the scope of legal aid. Removing the availability of redress must have an impact on patient safety. The vast majority of surgeons, doctors, nurses and dentists do a fantastic job most of the time; but of course, people make mistakes. It would not be right to prevent people from seeking redress when that occurs. I will not stray too far from the amendment, Mr Deputy Speaker, but we have a Government who in my view are effectively privatising the NHS. I served on the Committee considering the Health and Social Care Bill, every clause of which is to do with competition and, in my view, privatising the

NHS. I firmly believe that more and more incidents of clinical negligence will occur as a result of this Government's agenda.

Lord Jackson did not envisage a two-pronged attack on victims of clinical negligence when he made his recommendations. In this Bill, victims suffer the double whammy of taking legal aid out of scope for clinical negligence cases and making changes to conditional fee arrangements that leave victims footing the legal bills. The cost to the Government of funding clinical negligence cases out of a legal aid budget of £2.2 billion is £17 million—less than 1%. I find it shocking when I look at what the NHS Litigation Authority has said about this matter. It says that it favours keeping clinical negligence within the scope and it stated in response to the Government's consultation:

"Overall, we are strongly in favour of retaining legal aid for clinical negligence cases using current eligibility criteria".

I am well aware that many right hon. and hon. Friends are desperate to speak to the group of amendments on social welfare, so I will finish my remarks there.

Stephen Phillips: May I say what an enormous pleasure it is to follow the hon. Member for Kingston upon Hull East (Karl Turner) and to commend at least some of his comments to my colleagues, particularly to those seeking the promotion of my hon. and learned Friend the Member for Torridge and West Devon (Mr Cox)? I make no comment about any other Queen's counsel on this side of the House.

There is undoubtedly a fundamental problem with civil legal aid. The simple fact is that to bring cases for which legal aid is available to trial in this country costs more not only than it does in civil law systems that do not recognise the extensive discovery that we have here in England and Wales and in other jurisdictions of the United Kingdom, but more than it costs in other common law jurisdictions such as New Zealand and Australia and in other jurisdictions that have essentially inherited our legal system. That fundamental problem is one with which, because of the deficit we were left by the last Government, this Government have had to grapple. *[Interruption.]* I can see the hon. Member for Hammersmith (Mr Slaughter) mouthing something from a sedentary position. If he wants to intervene, I am happy to allow him.

Mr Slaughter: I felt that the hon. Gentleman was about to get into a long peroration that would be more suitable for a Second Reading debate. I was simply reminding him that the amendments we are debating are about clinical negligence.

Stephen Phillips: I am grateful, but I see Mr Deputy Speaker in the Chair this evening. I am sure that if I am out of order at any stage, he will upbraid me. I do not need any lessons from the hon. Member for Hammersmith about how to speak in this Chamber or indeed about the remarks I intend to make tonight. *[Interruption.]* The simple fact of the matter is—*[Interruption.]*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I think Mr Slaughter needs to calm down.

Stephen Phillips: I am extremely grateful, Mr Deputy Speaker. The simple fact is that these amendments, which seek to reverse the Government's position that clinical negligence should be removed from the scope of the exceptions in the Bill, have to be considered against the background of the current position as it prevails in relation to civil legal aid. If that point has escaped the hon. Member for Hammersmith, it is not one that has escaped me or, indeed, my hon. Friends. I remind him that it was the manifesto commitment of his party that Labour would have reformed the civil legal aid system if they had formed the next Government.

In those circumstances, we come to the particular context of these amendments and of whether it is appropriate to remove clinical negligence from the scope of legal aid and leave the gap to be picked up in two ways. I am sure that the Minister will make it clear in his concluding remarks how that gap will be picked up. At this juncture, I should say incidentally to the hon. Member for Kingston upon Hull East that I have made no representations at all to the Minister about this Bill, although I was grateful for the hon. Gentleman's earlier observations. The Government believe that that gap will be filled in two ways. First, the exceptional funding that the Bill makes available will pick up many clinical negligence cases that would otherwise have attracted legal aid funding from the Legal Aid Board. That may satisfy some, and it may deal with part of the problem.

9 pm

I realise that there are extremely strong feelings about the issue, not just among Opposition Members but on the Government Benches, but the cost of legal aid is an issue with which the Government must grapple. The hon. Member for Hammersmith made it clear on Second Reading that the Opposition would make cuts in a different area, but he did not tell us where they would be made. I might add that the same applies to every other policy that we hear about from Opposition Members, and to every other instance of opposition. The simple fact is that cuts must be made somewhere, and I believe that clinical negligence is one area in which it is appropriate to make them.

The other way in which the gap that will be left by the removal of legal aid can be filled and access to justice ensured for the vast majority of claimants who have sustained, or at least allege that they have sustained, clinical negligence and have suffered injury as a result, is through the conditional fee arrangement. That too was mentioned by the hon. Member for Kingston upon Hull East, who made the important and correct observation that the CFA system had been introduced by the last Government to pick up cases in which legal aid was not available. I must say, with the greatest respect to him—and I have enormous respect for him, as a fellow member of the Bar—that that observation undermines the entirety of his argument.

We can all, as the hon. Gentleman did, draw attention to emotive cases. None of us believes that those who sustain serious injury as a result of clinical negligence should not have an opportunity to seek redress from the courts as a result of these proposals or indeed any others. People have a basic right to seek access to justice. My judgment tells me, however, that the arrangements proposed by the Government have not just the two salutary features that I have identified, but

a third benefit: they begin to deal with the spiralling costs of a legal aid system that has been out of control for far too long.

Why does civil justice cost so much in this country? We have a tradition of getting to the truth and, indeed, a desire to do so, and it costs money to get to the objective truth. Having never practised in clinical negligence, I was troubled and surprised to hear the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd) refer to occasions on which the big beast of the national health service had effectively ensured an inequality of arms between it and those who alleged they had sustained clinical negligence by failing to produce the documents and other evidence for which the civil procedure rules undoubtedly call. Although he did not give examples, I do not for a moment doubt his bona fides, or that he was referring to cases of which he had heard. However, if that is the case, providing legal aid for all clinical negligence cases is not the answer. I believe that the answer, which is relevant to his amendments, is twofold.

The first way of dealing with that issue, to the extent to which it exists, is to ensure that the civil procedure rules in England and Wales, and whatever rules exist in Scotland and Northern Ireland, are amended to make it absolutely clear that early discovery or disclosure, call it what you will—oral and, if necessary, documentary—is afforded to claimants, so that they have access to the materials that they need to submit to their medical experts. If those rules are not currently in place, my right hon. and learned Friend the Lord Chancellor, who is no longer in his place, will need to consider with the Civil Procedure Rule Committee precisely what changes to the rules ought to be made to redress that inequality of arms. Ensuring the continued existence of civil legal aid in an area in which the Government have indicated they intend to remove it, albeit with exceptional measures remaining, is not the answer.

The second way in which the problem ought to be addressed is by the judiciary being much stronger with, and more critical of, public authorities when they seek to suppress information that is relevant to cases that come before the court or that is necessary to enable claimants to prepare their case properly. It must ensure that there is equality of arms and that people can best advance their case in the courts should matters need to proceed that far.

Mr Llwyd: The hon. and learned Gentleman makes very good points. I tried to say that there should be a twin-track approach. In my perception, there is a problem with regard to the administration of health authorities and full early disclosure, so he is absolutely right. However, I still say that there should be more than just a basic safety net in awful cases such as when somebody is a paraplegic upon birth.

Stephen Phillips: I am grateful to the right hon. Gentleman for his observations, but he may be eliding two matters. The first is the unavailability of legal aid for what we might call cases in the middle—neither the severe cases that will be picked up by the exceptional funding arrangements or CFAs, nor the cases in which solicitors and counsel will be prepared to take the case on and earn their money well down the line. I agree that that middle group of cases is the difficult group, but as well as the CFA arrangements mentioned by the hon. Member for Kingston upon Hull East, one must consider whether those cases are likely to be picked up and run with by the legal profession. My judgment is that they are.

Never having done a clinical negligence case, and having no expertise in those cases at all, I base that judgment partly on my experience of the position as it prevails in many jurisdictions in the United States, where of course no state or federal funding at all is available for civil cases. A legal profession has grown up in which attorneys have had to educate themselves about which cases they should be prepared to take. They consider which cases are worth taking forward, but also those that they believe have merit from a perspective of social justice and ensuring that there is access to justice for all.

Having worked with many attorneys across many jurisdictions in the United States, I can tell the right hon. Member for Dwyfor Meirionnydd that there are attorneys who take cases that they suspect will lead either to a settlement, out of which they will get very little or nothing, or to an eventual loss if they have to take the matter to court. They consider that part of their professional obligation.

I hope that both limbs of the legal profession in this country will come to appreciate that we owe an obligation not merely to try to make money out of the practice of law, but to do what we all did when we first came to the law—have a burning sense of justice on behalf of our clients, so that they are properly represented whether or not we believe them, whether or not we think their case is meritorious and certainly whether or not we think we will make money out of it. I hope that that deals to a large extent with the right hon. Gentleman's points. I am, of course, as concerned as he is that there may be a group of cases in the middle that will somehow fall through the net. If that is the position, we may have to revisit the issue later.

Sir Alan Beith: *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): I call Sir Alan Beith.

Stephen Phillips: With the leave of the House, I was about to make my final few remarks.

Sir Alan Beith: I apologise to my hon. and learned Friend; I thought he had concluded his speech.

Stephen Phillips: The amendment proposed by my right hon. Friend the Member for Carshalton and Wallington (Tom Brake) addresses schedule 1 and the non-exclusion of clinical negligence cases in the context of convention rights. As I have informed the House more often than, perhaps, I ought, I have never conducted a clinical negligence case. *[Interruption.]* Mr Deputy Speaker tells me that the House has taken that point on board, and I am pleased it has taken at least one of my points on board.

Notwithstanding the Government's insistence on the exclusion of clinical negligence in this context, I find it difficult to envisage any circumstances in which a case could be brought under the convention that engages this part of the law. I am not sure that my right hon. Friend addressed that point adequately—or, indeed, at

[Stephen Phillips]

all—when I intervened on him earlier, but he has said that this is a probing amendment that may have to be debated further in another place. At present however, I remain perplexed by the amendment.

Tom Brake: My hon. and learned Friend highlighted a flaw in the drafting of the amendment, but in his contribution this evening he has identified the group of cases that gives me some concern: the group of middle cases, as he described them. He has, I think, suggested both that he also has concerns in this regard and that the Government may need to address the matter in future.

Stephen Phillips: It may be an area the Government have to come back to. The amendment would change schedule 1 and, specifically, the cases for which civil aid is, and is not, available in the context of breaches of convention rights by a public authority. It addresses the convention rights contained in the Human Rights Act 1998, a piece of legislation of which the House will know I am not greatly enamoured. Clinical negligence is itself defined in paragraph 20(6) of the schedule, and the amendment suggests that civil legal aid should continue to be available in cases where a breach of convention rights is asserted in the context of clinical negligence. Although I think the Human Rights Act is bad law, I find it difficult to envisage circumstances in which the convention might be used and legal aid ought, in any event, to be available.

I therefore do not support the amendments, as they are unnecessary and misconceived, and the Government will have my support tonight.

Sir Alan Beith: I apologise to my hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips) for having misinterpreted—and for perhaps leading you, Mr Deputy Speaker, to misinterpret—his meaningful pause, which sometimes occurs when senior counsel are delivering their well-chosen words, and which led me to think he had finished his speech.

I commend the members of my Committee who have brought this issue to the attention of the House: the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd) and the hon. Member for Kingston upon Hull East (Karl Turner). The current system reveals many shortcomings in dealing with matters of this kind. I can recall a case, which went on for many years, of a young man who was brain damaged for life because he was not provided with proper recovery following an operation after a road accident. It was only when I managed to drag some information out of a health authority that the third firm of solicitors involved sued the second firm of solicitors for its professional negligence in allowing the matter to run out of time when a claim against the health authority would have been successful had it been undertaken with that information in the first place. These very difficult matters frequently involve the kind of cases that most of us are concerned about tonight: lifetime injury cases with very high care costs for those involved. My understanding is that when it comes to recovering costs from people who have been awarded damages in these circumstances, they will be recovered not from their damages for care, but from the other aspect of damages; a provision that the court has made for someone's lifelong welfare ought not to be affected.

9.15 pm

That brings me to the issue raised by my hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips): there may be a group of cases that are not satisfactorily embraced by the Government's exceptional provisions, which it is estimated will cost £6 million of the £16 million currently spent and which I hope will pick up some of most serious cases, but that will be dealt with by the conditional fee arrangement system. That has to be viewed against the background of the Jackson proposals, and I hope that the Minister will say something about the concern that after-the-event insurance may be too costly when it is needed to gain expert reports. Another concern is that there may not even be an effective market in this type of insurance for such a limited range of cases and therefore one aspect of what is left for that middle group of cases may not prove to be available in practice.

The group of people I am most concerned about are those whose injuries will last a lifetime. The right hon. Member for Dwyfor Meirionnydd mentioned birth injuries, and I am particularly concerned about parents who need to ensure that care is provided beyond their lifetimes to their children. Many of us have dealt with elderly parents who have had worries of this kind for children with brain injuries. Members of this House and those in the other place need to be assured that this combination of measures—the willingness of solicitors and counsel to undertake cases as an appreciation of their significance and the public good, the availability of the Government's exceptional provisions for some types of serious case and what remains of the CFA system—will between them cater for some of these very serious cases. This House and the other place will need to be given some assurance; otherwise, I strongly suspect that when the Bill comes back to us it will have been significantly amended.

Guy Opperman (Hexham) (Con): I think I am unique in this House in that I have had a great deal of experience in clinical negligence and have practised for the best part of 12 years almost exclusively on behalf of claimants. I have conducted well over 100 clinical negligence cases, against a multitude of general practitioners, hospital trusts and the like. They were primarily insurance-backed or conditional fee arrangement cases, although some of them were occasionally legal aid cases. I believe that, in the great tradition of the Government, I have still been unpaid for some of that work, notwithstanding the fact that I have not completed any work as a lawyer since I was elected in May 2010. So I should declare an interest in that I believe I have some legal aid fees outstanding, not that I am pressuring the Minister in any way to beat a path to my clerks and my chambers to pay the bill.

I should also declare an interest as a former lecturer and a member of Action against Medical Accidents—AvMA. I have written extensively on this area and am a member of the Association of Personal Injury Lawyers. I have given instructions to a multitude of different hospitals up and down the country, assisting them on how they can avoid clinical negligence claims. I was retained as counsel for several hospital and trust institutions, advising on how to avoid these claims and how to move

forward. I should also declare an interest in that I am part of the team pushing for a culture of openness and have met the hon. Member who so very helpfully saved my life in May, my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter). So I have also conducted an in-depth study of the NHS over the past six months in a way that I did not expect when I was first elected.

My final declaration is that I have great respect for the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd), who occupies part of a seat that I fought in 2005 of the Lleyn valley and peninsula in what was Caernarfon. I know that he is an outstanding MP and barrister and I have great respect for the points that he makes, as I do for the submissions and proposals of the right hon. Member for Carshalton and Wallington (Tom Brake) and the hon. Member for Kingston upon Hull East (Karl Turner).

Let me address the proposals of the right hon. Member for Dwyfor Meirionnydd regarding the duty to come clean. It must surely be the case that NHS authorities should come clean at an early stage and I endorse some of the comments that were made about this being something to be addressed not so much in the Bill as in the NHS's culture and approach. I regret to say that I disagree with my hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips) about this, and I have a copy of an article that I wrote for an Association of Personal Injury Lawyers publication on this exact point. In my experience there is ample evidence of isolated examples of an NHS trust deliberately defending a claim on an ongoing basis in the hope that the relevant individual goes away. That is a serious allegation to make, but it is not just me who says it—cases have been reported. I recommend very highly the amazingly well-written edition of APIL *PI Focus*, volume 20, issue 3, which I co-authored, which addresses that particular point.

Stephen Phillips: I make it clear for the fourth time that I have no experience in this area, and I have no doubt that such cases exist, but are they not exactly the sort of case that the civil procedure rules were introduced to deal with? Judges have powers to ensure equality of arms and if defendants behave badly they ought to be punished accordingly.

Guy Opperman: I totally endorse that point and such defendants are punished accordingly, particularly in the punitive elements of costs when they are assessed. There are punitive factors that my hon. and learned Friend as a judge would know one is able to impose in a civil court whereby—*[Interruption.]* I accept that he is not a civil judge—it shows. There is an ability to punish the offending NHS institution or doctor, but the fair point that has been raised and must be addressed is that the powers that would exist to a civil judge, were my hon. and learned Friend to be one, would arise quite far down the track in civil litigation and not at the outset. I come back to the legitimate and fair point that we should address this issue to NHS trusts and particularly to two types of individual, including, first, to chief executives. Regrettably, there are examples of a failure of leadership by chief executives because, clearly, they are mindful of their budgets and they do not like the idea of a culture of openness in which mistakes are admitted. In those circumstances, whether implicitly or directly, efforts are made to suppress litigation against NHS trusts.

The second group of individuals who should be involved is doctors and consultants. Because theirs is such a hierarchical profession, instead of having a culture of openness in which mistakes are readily admitted, there is, sadly, from time to time—I have professional experience of this—a failure to admit mistakes. As the hon. Member for Kingston upon Hull East will sadly and tragically have discovered—and I have been involved in several such meetings—there is a post-operative debrief within the health service.

Neil Carmichael (Stroud) (Con): This is not really my field, but I know from my constituents that a large number of them who have experienced difficulties in the NHS are extraordinarily concerned about the lack of transparency and the weight of expertise against them, because they are not, of course, particularly skilled in that area. Does my hon. Friend agree that that is one of the big problems we need to address, as I hope we are doing in the Bill?

Guy Opperman: I am grateful to my hon. Friend for his intervention, but I will not deal with it in any great detail—I mean no disrespect to him—because I wish to go back to the point I was making. We must have a system within the medical profession that allows its members to start to accept that it is perfectly understandable that mistakes are made, because they are human beings, and that there is insurance to cover such matters when they take place. With the best will in the world, that should be accepted. That recognition, however, does not exist to the degree that it should.

Richard Harrington (Watford) (Con): Does my hon. Friend think that that phenomenon is unique to the medical profession? Does it apply to many other professions, including his former profession, the legal profession, where mistakes are not openly broadcast and are dealt with internally, often unofficially, rather than publicly?

Guy Opperman: I did not expect to be attacked by my own side for my former profession. I agree that we all need to accept that when we make mistakes we should own up to them, and that goes for politicians, too.

In fairness, I should speak to the amendments. Surely the point is that there should be a statutory duty of candour in the health service, and that is what is missing. If it needs any encouragement, I know of three separate reports that deal with it: the Levinson and Gallagher report, "Disclosing Harmful Medical Errors to Patients"; the Robins report in the *Law Society Gazette*; and "Why do patients complain?", from the Association of Personal Injury Lawyers. All three reports, and reports from across the world—there is good evidence in Australia and New Zealand—show that where there is openness and admission of blame, the amount of litigation subsequently goes down, rather than up. For nine out of every 10 clients I saw as a professional barrister practising on clinical negligence, the first two questions they asked were: "Why did they not apologise?"; and "What will be done to ensure that it does not happen to anyone else?" Nine out of 10 clients would fully understand that no

[Guy Opperman]

doctor gets up in the morning and makes a mistake deliberately. They understand that it is because they are making clinical errors under intense pressure. In that respect, those are the things that need to be addressed by the Health Secretary, rather than in the Bill.

Mrs Eleanor Laing (Epping Forest) (Con): Will my hon. Friend give way?

Guy Opperman: I will, but for the last time.

Mrs Laing: Does my hon. Friend agree that the difference between mistakes made by his profession, which is also my profession—I speak to him with sympathy—and those made by the medical profession is that in the case of the latter the consequences can be truly tragic and cannot be put right? Therefore, there must be some mechanism that is open, understandable and available to the public as a whole to try to help when something goes tragically wrong and affects a person's life.

Guy Opperman: With respect, there are ways forward on those issues, not least the idea of a joint report to be completed by a defendant and the claimant together. It would be easy for the Health Secretary to address that by ordering individual chief executives, particularly in relation to cerebral palsy cases, to provide an independent expert's report assessing the birth. If that happened, litigation would go down, as would the funding to the taxpayer, and we would have speedier and better resolution of these issues. I regret to say that those sorts of things have been said by a number of Members in both Houses in the past and no one has addressed it. However, I stress that that is a matter for the Health Secretary, rather than one that arises out of the Bill.

I am conscious of the time and want to address the other points that have been made; I apologise that I did not do this on Second Reading, but clearly I could not be present in the House at the time. I accept entirely the points made by the hon. Member for Kingston upon Hull East about the fear of the loss of legal aid, and I will address individual children's cases, in particular, in a moment. The fear of the loss of legal aid is not something that is new to the legal profession, or in relation to negligence or the practice of personal injury law. Those same issues arose throughout the 1990s and 2000 in relation to the Woolf reforms, and many of us who were practising barristers at the time were concerned that individual litigants would be unable to go to the personal injury courts or elsewhere and bring litigation. With no disrespect to the submissions made, the matter has not been resolved, and on this particular issue conditional fee agreements have without question filled the gap. They have been extremely successful—some, including certain Ministers, would say almost too successful—at filling the gap where legal aid previously existed.

9.30 pm

I could go so far as to say that there is a distinct possibility that legal aid is much harder to apply for and—in relation to funding, as a claimant's lawyer and as a claimant—to sustain long-term than a conditional fee agreement, because the individual solicitor who takes on a conditional fee agreement effectively backs the case, whereas taxpayers, in the form of the Legal Services Commission, which supports legal aid cases, are understandably shy about spending their money. In the cases that I took to the European Court arising out of medical matters, it was incredibly difficult for us to deal with them and to get funding through the Legal Aid Board.

I suspect—I cannot prove it at this particular stage, but I suspect—that in an appropriate case the conditional fee arrangement will be much better funded and supported than legal aid. I would be a cynic to say that the NHS Litigation Authority wants legal aid to continue, but it is very much proven that CFA-funded cases against the national health service are normally much more successful than legal aid-funded ones. The situation is difficult in children's cases, and I will address that in a second, but legal aid funding is not a panacea.

On the submissions of the right hon. Member for Carshalton and Wallington (Tom Brake), I agree entirely with my hon. and learned Friend, who said that the amendments seemed to be probing amendments, which will not be put to the House, on an esoteric EU matter that may not necessarily occur in any event.

Finally, there is common ground on both sides of the House about the problem of the middle ground for complex cases concerning children. The issue will clearly be debated in another place, and further advice will be given for and against it, but in broad terms I ask the Minister to consider this specific point: whether children's—

Mr Speaker: Order. I am not absolutely sure in my mind, so the hon. Gentleman might wish to indicate, whether he was intending to allow the hon. Member for South Swindon (Mr Buckland) to have a brief opportunity to speak. I do not know whether he was intending it, but if he is I am sure he will be approaching the conclusion of his remarks.

Guy Opperman: I am grateful for the advice and assistance, Mr Speaker, and I will conclude in approximately one and a half minutes—

Stephen Pound (Ealing North) (Lab): Too long.

Guy Opperman: I am most grateful to the hon. Gentleman for that observation—from his usual sedentary position. If he had taken more exercise, he could have stood up to say it.

In broad terms, will complex cases concerning children be subject to exceptional funding? That is the first point that the Minister needs to address.

The second point that I ask the Minister to take away with him is whether, in a complex child case and, particularly, in cerebral palsy cases, a joint or an independent report could not be commissioned, so that there is an assessment at that stage of whether there is a case to answer. If there is a case to answer, the obtaining of legal aid would clearly follow thereafter; if there is not, the matter would not proceed.

On that quiet note, and with apologies to the sedentary hon. Member for Ealing North (Stephen Pound), I resume my seat.

Mr Buckland: I pay tribute to the hon. Member for Kingston upon Hull East (Karl Turner), who speaks from professional and personal experience on these matters. I am profoundly grateful to him for his candour and passion. I am also grateful to the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd), a fellow practitioner from Wales, who has considerable experience of these matters.

I rise to reinforce some of the points that have been made about some aspects of the proposed reforms. I am sure that my hon. Friend the Minister will accept that it is difficult to define an exceptional case. By the very nature of the category that the Legal Services Commission uses to deal with exceptional cases, they are indefinable. I accept that he will therefore find it difficult to assure us categorically that all cases that cause proper concern—particularly the complex cases involving young children who have had difficulties at birth—will be covered by the Government's proposals.

We are right to raise these concerns. Clinical negligence cases are somewhat unusual in that the expenditure is incurred at the beginning. The firms of solicitors dealing with such cases are often not the big firms that live in the City of London, but the firms of partners who have developed a degree of experience in such cases and who understand how to relate to the families of people who have suffered from alleged clinical negligence. However, such firms do not necessarily have the resources to enable them to spend lots of money on the preliminary medical investigations that are essential in preparing the ground in such cases.

I support the remarks made by my hon. Friend the Member for Hexham (Guy Opperman), who, in his excellent speech, raised the possibility of producing a joint report, at the beginning of each case, for the NHS—the defendant—and the claimant. That is a good point to make, but we are not in that position yet; we are still in an adversarial position. My deep worry is that a lot of cases will go without the necessary representation or help because those firms do not have the resources to dip into their pockets and to pay the thousands of pounds that are needed to prepare a case for making a claim.

I speak from experience, having served as a member of a funding review panel for some 10 years, and having dealt with appeals made by solicitors against the refusal or revocation of legal aid certificates in cases of clinical negligence. It would be wrong to say that a carte blanche exists at the moment. Even now, it is not easy for solicitors to satisfy the Legal Services Commission. I want to ask the Government to think carefully about the observations made by Members on both sides of the House, and to hesitate before seeking to implement the full thrust of these proposals.

There are several ways of dealing with this question. The first would be the full retention of legal aid for such cases. Another would be its retention for those aged 18 or under who are making claims against the NHS for clinical negligence. A further option would be to allow the provision of legal funding for initial advice and assistance in the preparation of reports before the commencement of any proceedings. Such an option would not cover representation, but it would deal with the preliminary stages. I ask the Government to consider those alternatives very carefully. I know that this matter will be hotly debated in another place, where I am sure full account will be taken not only of what we have said here tonight but of any observations that are made there.

Mr Djanogly: Let me first set out the scope of what we are talking about. Clinical negligence spend through legal aid in 2009-10 was about £17 million, consisting of around £1 million for legal help and around £16 million for representation. Closed-case volumes for legal representation in clinical negligence in 2009-10 were just over 2,300. It is estimated that removing clinical negligence from scope will save around £17 million per annum on legal help and representation, taking account of the exceptional funding regime and the estimated income from the supplementary legal aid scheme. Continued spend of £6 million through exceptional funding of the £16 million currently spent on representation in clinical negligence is foreseen. NHS figures for 2010-11 show that 82% of clinical negligence cases, where the funding method is known, were funded by means other than legal aid. That is the current situation.

The NHS Litigation Authority figures for 2010-11 show that of 2,002 legally aided claims, some 718 were claims for children, which represented 36% of claims funded through legal aid. Annexe B of the Government's impact assessment on the reforms to conditional fee agreements sets out estimated savings of £50 million to the NHS Litigation Authority as a result of abolishing recoverability of success fees, and after-the-event insurance premiums.

Amber Rudd (Hastings and Rye) (Con): On the impact assessment, have the Government assessed how many children who would previously have qualified for clinical negligence aid will no longer qualify when the changes go through?

Mr Djanogly: That is hard to say, because it depends on the extent to which children will come within the scope of exceptional funding, but we believe that the figure for exceptional funding will be £6 million, and that a significant proportion of that would be related to children's claims. I will return to that.

The figure does not account for the NHS Litigation Authority paying after-the-event insurance premiums for policies covering the cost of expert reports in some cases. My hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips) made that point very well. Based on figures published by the compensation recovery unit on claims settled, clinical negligence cases made up just over 1% of personal injury claims in 2010-11.

While Opposition Members were speaking, a thought came to my mind. Clinical negligence forms about 1% of the wider personal injury market. The last Government ended legal aid for personal injury claims, except in relation to clinical negligence. I am looking for help from Opposition Members because it is bizarre to hear them defend their position with such vehemence and conviction when their party scrapped 99% of this category. Let me develop the point.

Labour Members seem to be saying that if a drunk driver hit someone and caused brain damage, the injured person would not get legal aid. But if the same victim were brain-damaged to the same extent by a negligent doctor, they seem to be saying that that person should

[Mr Djanogly]

get legal aid—*[Interruption.]* If I have missed something, I am all ears. The hon. Member for Kingston upon Hull East (Karl Turner) may want to explain why I am wrong. The Opposition must find some consistency in their position.

Mr Llwyd: The difference between those two cases is that the person damaged by a drunk driver would undoubtedly claim against the Motor Insurers Bureau, and would be covered.

Mr Djanogly: The injured person could make a claim, but so could the person who suffered clinical negligence. The point is, as the hon. Gentleman knows, that the position is inconsistent.

We recognise that many clinical negligence cases involve serious issues, but for most a conditional fee agreement will be a suitable alternative to public funding. According to NHS figures for 2010-11, 82% of clinical negligence cases, where the funding method is known, were funded by means other than legal aid. That is the current position. We therefore consider that legal aid is not justified in such cases, and that our limited funding would be better targeted at other priority areas, such as those involving physical safety, liberty and homelessness. However, we have proposed an exceptional funding scheme to ensure that some individual clinical negligence cases will continue to receive legal aid when failure to do so would be likely to result in a breach of the individual's right to legal aid under the Human Rights Act 1998 or European Union law.

In considering whether exceptional funding should be granted, we will take into account the client's ability to present their own case, the complexity of the matter, the importance of the issues at stake, and all other relevant circumstances. As I said to my hon. Friend the Member for Hastings and Rye (Amber Rudd), our impact assessment estimates that we will continue to spend some £6 million of the £16 million that we currently spend on representation in clinical negligence cases.

9.45 pm

Sarah Newton (Truro and Falmouth) (Con): I understand the point that my hon. Friend is trying to make, but there is still great concern among my hon. Friends about what help will be available for vulnerable young children who have experienced harm as a result of medical negligence. Can he help us to understand that?

Mr Djanogly: As I have said before, we estimate that the vast majority of the £6 million will be for complex and lengthy cases that concern cerebral palsy, brain-damaged children or adult paralysis. We believe that no-win conditional fee agreements will still be available to fund these claims in the new regime. In addition, our reforms provide for a power allowing recoverability of after-the-event premiums in clinical negligence claims to help cover the cost of expert reports in complex clinical negligence cases. We have also announced plans to implement qualified one-way cost shifting in clinical negligence cases, which would mean that claimants would not be at risk of paying their opponents' costs, as is the case with legal aid. Where CFAs are not available, the exceptional funding scheme will allow funding to be granted in individual excluded cases where the failure to provide funding would be likely to result in a breach of the individual's human rights.

Neil Carmichael: CFAs are awarded in circumstances where the parents will be in a state of considerable grief, or at least have a huge amount of concern, about the well-being of their child, so will there be a sensitive enough arrangement for making the awards and assessing the circumstances?

Mr Djanogly: Indeed. As is currently the case, the solicitors awarding the CFA would have to look at the merits and decide whether they wanted to proceed with it. Obviously, the person has to want to instruct the solicitor and the solicitor has to want to take the case; it would cut both ways.

There have been a lot of comments about what assessment has been made of the effects on the NHS of removing clinical negligence from the scope of legal aid. In response to a parliamentary question, the Department of Health indicated that

"the potential effect on the national health service of removing clinical negligence from the scope of Legal Aid will be cost neutral."—[*Official Report*, 14 September 2011; Vol. 532, c. 1231W.]

In annexe B of the impact assessment on the reforms, we estimate savings of £50 million to the NHS Litigation Authority as a result of the abolition. My officials are in ongoing consultations and discussions with the NHSLA and stakeholders about how the commissioning of expert reports can be improved so that, for instance, joint reports can be commissioned wherever possible. This, in turn, would help to encourage early notification of claims.

One particular aspect of clinical negligence cases is the significant up-front costs involved in obtaining expert reports. Following consultation, the Government are seeking a tightly drawn power in the Bill to allow the recoverability of after-the-event insurance premiums in clinical negligence cases. The details will be set out in regulations. My hon. Friend the Member for Hexham (Guy Opperman), who lent us the benefit of his considerable experience in the clinical negligence field, made some important points in this regard.

We have to make some difficult choices about legal aid, and we need to focus our limited resources on those who need it most.

Claire Perry (Devizes) (Con): Will the Minister clarify whether eligibility will be income based or based on the child's condition, vulnerability or need?

Mr Djanogly: My hon. Friend's point goes back to children and their eligibility on the basis of income. A certificate is issued in the name of the minor or the patient and it is their resources that are assessed in the normal way, not those of the litigation friend, children's guardian or guardian ad litem who is bringing or defending the proceedings on their behalf.

However, in family cases where the applicant for funding is a child, the resources of a parent, guardian or any other person who is responsible for maintaining him or her, or who usually contributes substantially to his or her maintenance, are required to be treated as his or her resources unless, having regard to all the circumstances, including the age and resources of the child and any conflict of interest, it appears inequitable

to do so. The applying solicitor should submit appropriate means forms for the child and parents or others responsible for or contributing to his or her maintenance or, more usually in the first instance, explain in the application itself why non-aggregation of means would be appropriate in the circumstances of the particular case, having regard to the position of each of the parents or others on the issues in the case and the party status of the child.

Where children have sufficient understanding to decide that they want to seek an order in family proceedings for themselves and actually start proceedings, there may be no conflict with one or both parents and it may be reasonable to take the means of the parents, or one of them, into account. However, where a child is joined as a party in ongoing proceedings by an order of the court, the assessing officer is likely to accept that the party status of the child justifies non-aggregation.

I hope that that answers my hon. Friend's point.

Guy Opperman: On the tricky issue of cerebral palsy among children, would the Minister consider persuading NHS trusts in all such cases, of which there are not many, to commission an independent report as a first step, before any application for legal aid is made?

Mr Djanogly: My response to that applies more broadly than to just cerebral palsy. We believe that the NHS Litigation Authority should more frequently take the initiative in the preparation of reports. Where possible, there should be joint reports, not least to help cases along more swiftly.

Our approach means that public funding will not be available for each and every claim involving a public authority, but it will be available for the most serious cases and to address serious abuses. Most claims for damages will be removed from the scope of legal aid because we have sought to focus our limited resources on cases where the client's life, liberty, physical safety or home is at risk. Therefore, we do not consider that most claims seeking financial compensation from public authorities merit public funding. However, the Bill ensures that legal aid is available for the most serious damages claims that concern an abuse of position or power, or a significant breach of human rights by a public authority.

Mr Desmond Swayne (New Forest West) (Con): That is the third time that my hon. Friend has referred to human rights. It is as if he was deliberately rubbing salt into the wounds. Members would prefer it, certainly those on the Conservative Benches, if money was available for medical negligence cases, rather than for human rights cases.

Mr Djanogly: I am referring to human rights mainly in relation to exceptional cases where the money would indeed go towards satisfying someone's medical negligence claim.

Other claims will be excluded from scope and alternative sources of funding, such as conditional fee arrangements, may be available for meritorious claims. I confirm for my right hon. Friend the Member for Carshalton and Wallington (Tom Brake) that we always have an open mind on these issues. I am happy to engage with him as the Bill progresses.

Mr Slaughter: It is good to hear the Minister talking about possible future concessions in this area. To be fair to him, he has always said that the Government's aim is to protect the most vulnerable. How does he square that with the fact that he has orchestrated the talking out of the main group of amendments today, which affects many of the lowest-income and most vulnerable people in this country? Why are we not getting on to talking about other areas of social welfare law? Is it to protect the hon. Member for South Swindon (Mr Buckland), whose law centre is losing all its funding? Is it to protect the Minister's coalition allies from withdrawing—

Mr Speaker: Order. I think that we have got the gist of it.

Mr Djanogly: I say to the hon. Gentleman that I have enjoyed listening to my hon. Friends and to some of his hon. Friends this evening, in what has been a very informed debate. We have heard some expert contributions, not least from my hon. Friend the Member for Hexham, who started by saying that he had acted in 100 clinical negligence cases. I do not think that there has been any time wasting at all—not nearly as much time wasting as when the hon. Gentleman held a three-hour debate on the first group of amendments on the first day in Committee.

Mr Slaughter: We spent the first 10 minutes of this debate talking about the Minister's declaration of interests, which was very substantially overdue. All I would say to him, as a last contribution, is that many people will be watching this debate tonight, particularly in another place. They will draw their own conclusions from his unwillingness to debate those issues.

Mr Djanogly: I hope those many people will be as unimpressed as I am by what the hon. Gentleman just said.

Let me address the interaction of legal aid and the Jackson proposals, which was mentioned by three or four hon. Members. In addition to reforming legal aid, the Government are introducing fundamental reform of no win, no fee conditional fee agreements, as recommended by Lord Justice Jackson. During the consultation on his recommendations, concerns were raised about the funding of expert reports in clinical negligence cases. Those reports can be expensive and we need to provide a means of funding them to ensure that meritorious claims can be brought by those who cannot readily afford to pay for them up front. That is why, in making changes to the CFA regime, we are making special arrangements for the funding of expert reports in clinical negligence claims.

The hon. Member for Kingston upon Hull East suggested that victims of clinical negligence who take their cases on CFAs will lose their damages in legal fees. As recommended by Lord Justice Jackson, we are reforming CFAs because of the high costs introduced by changes that were made by the previous Government in relation to the recoverability of success fees and after-the-event insurance. Lord Justice Jackson recommended that there should be a cap on damages in personal injury cases that can be taken in lawyer success fees—the cap should be 25% of the damages, not including damages for future care and loss. The Government have accepted that recommendation, so that victims of personal injury, including from clinical negligence, will have their damages protected under CFAs.

The Civil Justice Council is looking at some of the technical aspects of implementing the Jackson recommendations. I spoke with it on this issue only this

[Mr Djanogly]

morning, when I also attended a conference on issues such as how the 25% cap will work to protect damages.

The hon. Gentleman said that the proposal would be fairer if the Government were not introducing the Jackson reforms, and asked why we were implementing both at the same time. We are considering all those major changes together and in the round. At the same time as seeking to make savings from the legal aid budget, we are taking forward those priority measures that were recommended by Lord Justice Jackson, to address the disproportionate and unaffordable cost of civil litigation. It is essential that those proposals are considered at the same time. The current CFA regime, with its recoverable costs, causes a significant burden on, for example, the NHS. Withdrawing legal aid for clinical negligence without reforming CFAs could increase that burden significantly.

The hon. Gentleman said that claimants in severe injury cases are more likely to be disabled and frail and so forth, and being unable to bring proceedings—*[Interruption.]*

Mr Speaker: Order. The Minister is not quite enjoying the studious attention of the House that I feel sure his words warrant.

Mr Djanogly: The hon. Member for Kingston upon Hull East asked how such cases can be excluded from scope. We consider that CFAs are a viable alternative source of funding to legal aid. CFAs are more readily available in clinical negligence cases than in cases for other types of claim that are currently funded under legal aid. We therefore consider that legal aid is not justified in such cases, and that our limited funding will be better targeted at other priority areas.

It was also said that such claims are not just money claims, and that damages ensure quality of life for the claimant for the remainder of their lives, and hon. Members asked how it can therefore be right to exclude them. Legal aid is currently available to those who qualify financially and who have suffered negligent medical treatment to seek damages from any type of public or private medical practitioners. Although those are claims for monetary compensation, we consider that they often raise very serious issues, especially when the damages are required to meet future needs. Some litigants will be vulnerable because of disabilities that result from negligent treatment.

We were then asked how the Government could expect CFAs to make up the shortfall, given that they would not be available in a large number of cases, such as those involving long-term impairment. Our legal aid proposals would ensure that particular cases in which it might be difficult to secure a CFA continue to receive legal aid where the failure to provide such funding was likely to result in a breach of the individual's rights.

10 pm

Debate interrupted (Programme Order, this day).

Mr Speaker: Does the right hon. Gentleman wish to press his amendment?

Mr Llwyd: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

The Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Amendment made: 11, page 99, line 36, at end insert—

> '"personal representative", in relation to an individual who has died, means—
>
> (a) a person responsible for administering the individual's estate under the law of England and Wales, Scotland or Northern Ireland, or
>
> (b) a person who, under the law of another country or territory, has functions equivalent to those of administering the individual's estate;'.—*(Mr Djanogly.)*

Amendment proposed: 92, page 103, line 35, leave out 'physical or mental abuse' and insert 'any incident of threatening behaviour, violence or abuse (whether physical, mental, financial or emotional)'.—*(Mr Llwyd.)*

Question put, That the amendment be made.

The House divided: Ayes 237, Noes 305.

Division No. 380] **[10.01 pm**

AYES

Abbott, Ms Diane	Cooper, rh Yvette
Abrahams, Debbie	Corbyn, Jeremy
Ainsworth, rh Mr Bob	Crausby, Mr David
Alexander, rh Mr Douglas	Creagh, Mary
Alexander, Heidi	Creasy, Stella
Ali, Rushanara	Cruddas, Jon
Anderson, Mr David	Cryer, John
Ashworth, Jonathan	Cunningham, Alex
Austin, Ian	Cunningham, Mr Jim
Bailey, Mr Adrian	Cunningham, Tony
Bain, Mr William	Curran, Margaret
Balls, rh Ed	Dakin, Nic
Banks, Gordon	Danczuk, Simon
Barron, rh Mr Kevin	Darling, rh Mr Alistair
Beckett, rh Margaret	David, Mr Wayne
Begg, Dame Anne	Davidson, Mr Ian
Bell, Sir Stuart	Davies, Geraint
Benn, rh Hilary	De Piero, Gloria
Benton, Mr Joe	Dobbin, Jim
Berger, Luciana	Dobson, rh Frank
Betts, Mr Clive	Docherty, Thomas
Blackman-Woods, Roberta	Donohoe, Mr Brian H.
Blears, rh Hazel	Doran, Mr Frank
Blenkinsop, Tom	Dowd, Jim
Blomfield, Paul	Doyle, Gemma
Blunkett, rh Mr David	Dromey, Jack
Bradshaw, rh Mr Ben	Dugher, Michael
Brennan, Kevin	Eagle, Ms Angela
Brooke, Annette	Eagle, Maria
Brown, Lyn	Edwards, Jonathan
Brown, rh Mr Nicholas	Efford, Clive
Brown, Mr Russell	Elliott, Julie
Bryant, Chris	Ellman, Mrs Louise
Buck, Ms Karen	Engel, Natascha
Burden, Richard	Esterson, Bill
Burnham, rh Andy	Evans, Chris
Byrne, rh Mr Liam	Field, rh Mr Frank
Campbell, Mr Alan	Flello, Robert
Campbell, Mr Ronnie	Flint, rh Caroline
Caton, Martin	Flynn, Paul
Chapman, Mrs Jenny	Fovargue, Yvonne
Clark, Katy	Francis, Dr Hywel
Coaker, Vernon	Gardiner, Barry
Coffey, Ann	George, Andrew
Connarty, Michael	Gilmore, Sheila
Cooper, Rosie	Glass, Pat

Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hopkins, Kelvin
Horwood, Martin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leech, Mr John
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Mulholland, Greg
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Ottaway, Richard
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruddock, rh Joan
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Vaz, Valerie
Walley, Joan
Ward, Mr David
Watson, Mr Tom
Whitehead, Dr Alan
Williams, Mr Mark
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Chris Ruane and Hywel Williams

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, James
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon

Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pincher, Christopher
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, rh Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Roger
Williamson, Gavin
Willott, Jenny
Wollaston, Dr Sarah
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Philip Dunne and Mark Hunter

Question accordingly negatived.

Mr Speaker: Order. When a Member is announcing the result of a vote, the House really must be calm and listen. That is only polite.

Amendment proposed: 74, page 104, line 23, at end insert—

'(10) For the purposes of this paragraph, evidence that A has been abused by B or is at risk of being abused by B may consist of one or more of the following (without limitation)—

(a) a relevant court conviction or police caution;

(b) a relevant court order (including without notice, ex parte, interim or final orders) including a non-molestation order, occupation order, forced marriage protection order or other protective injunction;

(c) evidence of relevant criminal proceedings for an offence concerning domestic violence or a police report confirming attendance at an incident resulting from domestic violence;

(d) evidence that a victim has been referred to a Multi-Agency Risk Assessment Conference (as a high-risk victim of domestic violence) and a plan has been put in place to protect that victim from violence by the other party;

(e) a finding of fact in the family courts of domestic violence by the other party giving rise to the risk of harm to the victim;

(f) a medical report from a doctor at a UK hospital confirming that the applicant has injuries consistent with being a victim of domestic violence, such injuries not being limited to physical injuries;

(g) a letter from a General Medical Council registered general practitioner confirming that he or she has examined the applicant and is satisfied that the applicant had injuries consistent with those of a victim of domestic violence;

(h) an undertaking given to a court that the perpetrator of the abuse will not approach the applicant who is the victim of the abuse;

(i) a letter from a social services department confirming its involvement in connection with domestic violence;

(j) a letter of support or a report from a domestic violence support organisation; or

(k) other well-founded documentary evidence of abuse (such as from a counsellor, midwife, school or witnesses).

(11) For the avoidance of doubt, no time limit shall operate in relation to any evidence supporting an application for civil legal services under paragraph 10.'.—*(Mr Slaughter.)*

The House proceeded to a Division.

Mr Speaker: Order. I ask the Serjeant at Arms to investigate the delay in the Aye Lobby.

The House having divided: Ayes 232, Noes 305.

Division No. 381] [10.16 pm

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hopkins, Kelvin
Horwood, Martin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Mulholland, Greg
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruddock, rh Joan
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Vaz, Valerie
Walley, Joan
Ward, Mr David
Watson, Mr Tom
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Susan Elan Jones and Chris Ruane

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin

Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, James
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Harnes, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Mrs Siân C.
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pincher, Christopher
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, rh Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Roger
Williamson, Gavin
Willott, Jenny
Wollaston, Dr Sarah
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Philip Dunne and Mark Hunter

Question accordingly negatived.

Amendments made: 55, page 109, line 13, leave out 'in connection with' and insert 'of'.

Amendment 56, page 109, line 15, at end insert

'where there is no right of appeal to the First-tier Tribunal against the decision'.

Amendment 57, page 109, line 16, after 'section', insert '94 or'.

Amendment 58, page 109, line 17, after 'preventing', insert 'or restricting'.—*(Mr Djanogly.)*

Amendment proposed: 142, page 110, line 32, at end insert—

19A (1) civil legal services provided in relation to Clinical Negligence.

(2) In this paragraph clinical negligence means breach of duty or care or trespass to the person committed in the course of the provision of clinical or medical services (including dental or nursing services)'.—*(Karl Turner.)*

Question put, That the amendment be made.

The House divided: Ayes 229, Noes 300.

Division No. 382] **[10.33 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leech, Mr John
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Mulholland, Greg
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruddock, rh Joan
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Vaz, Valerie
Walley, Joan
Ward, Mr David
Watson, Mr Tom
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Chris Ruane and Susan Elan Jones

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, James
Browne, Mr Jeremy
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burstow, Paul
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Farron, Tim
Featherstone, Lynne
Field, Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McVey, Esther
Mensch, Louise
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pincher, Christopher
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, rh Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike

Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williamson, Gavin
Willott, Jenny
Wollaston, Dr Sarah
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mark Hunter and Greg Hands

Question accordingly negatived.

Amendments made: 59, page 112, line 5, at end insert—

'Immigration: victims of domestic violence and indefinite leave to remain

24A (1) Civil legal services provided to an individual ("I") in relation to an application by the individual for indefinite leave to remain in the United Kingdom on the grounds that—

(a) I was given leave to enter or remain in the United Kingdom for a limited period as the partner of another individual present and settled in the United Kingdom, and

(b) I's relationship with the other individual broke down permanently as a result of the abuse of I by an associated person.

General exclusions

(2) Sub-paragraph (1) is subject to the exclusions in Parts 2 and 3 of this Schedule.

Specific exclusion

(3) The services described in sub-paragraph (1) do not include attendance at an interview conducted on behalf of the Secretary of State with a view to reaching a decision on an application.

Definitions

(4) For the purposes of this paragraph, one individual is a partner of another if—

(a) they are married to each other,

(b) they are civil partners of each other, or

(c) they are cohabitants.

(5) In this paragraph—

"abuse" means physical or mental abuse, including—

(a) sexual abuse, and

(b) abuse in the form of violence, neglect, maltreatment and exploitation;

"associated person", in relation to an individual, means a person who is associated with the individual within the meaning of section 62 of the Family Law Act 1996;

"cohabitant" has the same meaning as in Part 4 of the Family Law Act 1996 (see section 62 of that Act);

"indefinite leave to remain in the United Kingdom" means leave to remain in the United Kingdom under the Immigration Act 1971 which is not limited as to duration;

"present and settled in the United Kingdom" has the same meaning as in the rules made under section 3(2) of the Immigration Act 1971.'.

Amendment 60, page 112, line 10, after 'Article', insert '2 or'.

Amendment 61, page 112, line 11, at end insert—

( ) the Qualification Directive.'.

Amendment 62, page 112, line 25, at end insert—

'"the Qualification Directive" means Council Directive 2004/83/EC of 29 April 2004 on minimum standards for the qualification and status of third country nationals or stateless persons as refugees or as persons who otherwise need international protection and the content of the protection granted;'.

Amendment 12, page 115, line 5, at end insert—

'"adult" means a person aged 18 or over;'.

Amendment 13, page 116, line 5, leave out 'to the victim of a sexual offence in relation to the offence' and insert 'in relation to a sexual offence, but only where—

(a) the services are provided to the victim of the offence, or

(b) the victim of the offence has died and the services are provided to the victim's personal representative.'.

Amendment 14, page 116, line 13, after 'paragraph' insert '—

"personal representative", in relation to an individual who has died, means—

(a) a person responsible for administering the individual's estate under the law of England and Wales, Scotland or Northern Ireland, or

(b) a person who, under the law of another country or territory, has functions equivalent to those of administering the individual's estate;'.

Amendment 63, page 120, line 38, at end insert—

12A Advocacy in the First-tier Tribunal that falls within the description of civil legal services in paragraph 24A of Part 1 of this Schedule.'.

Amendment 15, page 121, line 1, leave out '31,'.

Amendment 16, page 121, line 1, leave out 'or 34'.

Amendment 17, page 121, line 4, leave out from 'etc)' to end of line 5.

Amendment 18, page 121, line 7, at end insert—

14A Advocacy in proceedings in the Upper Tribunal under section 4 of the Safeguarding Vulnerable Groups Act 2006.'.—*(Mr Djanogly.)*

Bill to be further considered tomorrow.

Stephen Pound (Ealing North) (Lab): On a point of order, Mr Speaker. In a few short minutes, the Serjeant at Arms leaves the service of this House. What mechanism exists for the House to show its affection and respect for someone who was not only the first female Serjeant at Arms, but quite simply one of the very finest holders of that office?

Hon. Members: Hear, hear.

Mr Speaker: The hon. Gentleman, in his ingenious point of order, has not merely posed the question but furnished the House with the answer. He has identified that mechanism and paid his tribute, and it has rightly been received with enthusiasm and respect. I hope the hon. Gentleman and the House are satisfied.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

ELECTRICITY

That the draft Electricity and Gas (Internal Markets) Regulations 2011, which were laid before this House on 18 July, be approved.—*(Mr Francois.)*

Question agreed to.

LOCAL GOVERNMENT BOUNDARY COMMISSION FOR ENGLAND

Motion made, and Question put forthwith (Order, 11 October, and Standing Order No. 118(6)),

That an humble Address be presented to Her Majesty, praying that Her Majesty will re-appoint Maxwell Marshall Caller CBE to be the chairman of the Local Government Boundary Commission for England with effect from 1 January 2012 for the period ending on 31 December 2015.—*(Mr Francois).*

Question agreed to.

ELECTORAL COMMISSION

Motion made, and Question put forthwith (Order, 11 October, and Standing Order No. 118(6)),

That an humble Address be presented to Her Majesty, praying that Her Majesty will re-appoint Maxwell Marshall Caller CBE to be an Electoral Commissioner with effect from 1 January 2012 for the period ending on 31 December 2015.—*(Mr Francois).*

Question agreed to.

Motion made, and Question put forthwith (Order, 17 October, and Standing Order No. 118(6)),

That an humble Address be presented to Her Majesty, praying that Her Majesty will appoint Anna Carragher to be an Electoral Commissioner with effect from 1 January 2012 for the period ending on 31 December 2015.—*(Mr Francois.)*

Question agreed to.

COMMITTEES

Mr Speaker: With the leave of the House, I shall take motions 8, 9 and 10 on Justice, Procedure and Public Accounts together.

Ordered,

JUSTICE

That Mrs Helen Grant be discharged from the Justice Committee and Nick de Bois be added.

PROCEDURE

That Andrew Percy be discharged from the Procedure Committee and Karen Bradley be added.

PUBLIC ACCOUNTS

That Justine Greening be discharged from the Committee of Public Accounts and Miss Chloe Smith be added. —*(Geoffrey Clifton-Brown, on behalf of the Committee of Selection.)*

Jarrow Crusade (75th Anniversary)

Motion made, and Question proposed, That this House do now adjourn.—*(Mr Francois.)*

10.49 pm

Mr Stephen Hepburn (Jarrow) (Lab): I am delighted to have secured this debate at this very special time in Jarrow's history. The great town of Jarrow still strongly symbolises the fight for work, dignity and respect, even 75 years after the march took place. That certainly was not the intention of the marchers at the time, however. All that they knew was that their town had been murdered by a cartel of businessmen who, backed up by the Government of the time, had closed the shipyard and thrown 70% of the town on to the dole.

The idea for the march came from a local man called Davey Riley, who persuaded first the local Labour party and then the town council that the town needed to take its case to London to persuade the Government of the day to bring jobs back to Jarrow. That is where the politics ended. The town council, which was composed of all the political parties and people from various backgrounds in the town, resolved unanimously to support the march and give it the backing of its citizens, from the bishop to the businessman, so that it could be a success.

The march caught the imagination of the people of Jarrow straight away, as it did with the rest of the public as it travelled south to London. Two hundred men were selected to march, and a petition was signed by 12,000 townspeople. With the backing of the local council, local businesses and the local clergy in Jarrow, the men set off on their 300-mile crusade. As was well documented, the march did not have the backing of the Government at the time. Disgracefully, it did not get the backing of the Labour leadership either. However, it did enjoy the support of the public wherever it went on its journey.

The men marched military style, as most of them had been in the Army in the past. With the famous Jarrow banners held aloft and the mouth organ band in the lead, they raised the hearts and spirits of everyone they came across during those bleak days of the depression. They delivered a message of hope for the people who needed hope, right across the country, at that time. To ensure that all went well en route, the then Labour agent, Harry Stoddart, and the Tory agent, Councillor Suddick, proceeded before them to ensure that the sleeping and eating arrangements were in place.

Of course, we all know what happened when the men reached London. Their pleas for work were ignored, and they were sent home with a pound in their pocket to pay for their train fare. When they got back to Jarrow, they found not only that their dole had been stopped but that the dreaded means-test men were waiting at their front doors. We all know the history: work did come back to Jarrow a few years later, when the Government saw the need for rearmament in the face of Hitler's menace and the horrors of war.

Even today, though they failed in their attempt to help the town, the marchers are remembered worldwide. In Jarrow, the story of the crusade is passed down from father to son and from mother to daughter. In the town, we have displays, statues and murals, and streets and a

pub named after the march. We have had a chart-topping song, and we have even had beers named after the march and the marchers.

If I had a pound from everyone I have met in the Palace of Westminster who, when I said I came from the town of Jarrow, asked "How did you get here? Did you walk?", I would be a wealthy man—perhaps even wealthy enough to qualify for Mr Cameron's Cabinet. I should also like to clarify that there were 200 marchers. Judging by the number of people who have claimed, over the years, to be a descendant of one of the marchers, anyone would think that there had been 2,000 of them, rather than 200.

Jim Shannon (Strangford) (DUP): Coming from a nation of marchers, and having marched for many noble causes, may I ask the hon. Gentleman whether he thinks that 200 men walking 300 miles with 12,000 signatures on a petition could serve as a lesson for our society, and also for this Government?

Mr Hepburn: I agree with the hon. Gentleman, and I will come to points that I think he will agree with.

That is a brief history of the march to commemorate this great occasion. It would be wrong not to draw lessons from the great example of those men, because parallels may be drawn between those bleak times in the '30s and today. First, there is no doubt that lifestyles today have improved vastly compared with the '30s, but people today still live in fear of unemployment. Those without a job face a hopeless task in trying to find work; those with a job are worried sick about losing it. With nearly 3 million people out of work, and the economy becoming ever bleaker day by day as we read the newspapers and hear the economic news, people are becoming desperate.

In this day and age, people should not live in fear of the evils of unemployment. After the second world war, the country had massive debt and its infrastructure was in ruins. Soldiers who had fought side by side, with mutual respect, with people of different military ranks, different social status in society and different backgrounds, came back determined that never again would the country go back to the days of the Jarrow march, and the haves and have-nots. We built a welfare state that is the envy of the world, and we looked ahead to a future in which mass unemployment would be a thing of the past.

As it was then in the post-war era, the real challenge for the Government today is to have an economic policy in which the interests of the community and people, not the short-term interests of the bankers and financiers, come first. In the wake of the banking crisis, when more than 90% of the people of this country are experiencing the same worries and fears about losing their house and savings, now is the ideal time to bring about change for the better, just as happened with consensus after the second world war. But no, instead we are returning to the same old Tory values of us and them, and a return to the pessimism of the '30s when the Government's only answer to people's pleas for work was unemployment in a divided society.

As we have seen from the spirit of the St Paul's protesters and the young people who today are marching from Jarrow to London in a replica of the Jarrow march, people will not sit back and accept from the Government the treatment that their ancestors received. I take my hat off to those protesters, who have been criticised for their demonstrations. If anyone embarks on a peaceful protest or demonstration to highlight the plight of other people in the world, we should support them, as we did in various places through our foreign policy on Saddam Hussein and Gaddafi.

Secondly, it is little known that at the time of the Jarrow crusade there was a march by blind people, and it set off in October 1936 at the same time. Conditions for disabled people have improved vastly since the '30s. Then, the fear was the famous—or infamous—and dreaded means test. Today, there is a parallel. The unfairness of the work capability test has been highlighted by disability groups throughout the country, and I am pleased that the Minister has commissioned a report into that. If that report identifies errors in the present system of assessing people's mental and physical disabilities, the Minister should review all past cases assessed by Atos Healthcare when mistakes may have been made.

Finally, what is happening to the public sector now is what the cartels did to Jarrow in the 1930s. The public sector grew up following the Beveridge report when people in authority said, "Never again will we go back to the bad old days." Public services were set up to look after people's welfare, and they are doing a good job and delivering good services, whether in health, education or the police. Despite their success, they find themselves being carved up at the very time when the country's top executives are receiving 50% pay rises, and a salary of £1 million is considered in some circles as low.

Being a "Jarra" lad—I was brought up and educated there, and have lived there all my life—I have always been inspired by tales of the Jarrow march. I was privileged to know some of the marchers before they passed away, and the lesson I learned from them is simple. The Government should heed the history of ordinary people standing up for their dignity because, as in the case of the Jarrow crusade, even if people's pleas are ignored now, they will be heard in the end.

10.59 pm

The Minister of State, Department for Work and Pensions (Chris Grayling): I pay tribute to the hon. Member for Jarrow (Mr Hepburn) for his success in securing the debate and for the eloquent way in which he has referred to what was undoubtedly an important moment in the history of this country. Looking back over the course of the past 150 to 200 years, there have been different groups of individuals and different moments at which the social history of this country has been changed—events such as the actions of the Tolpuddle martyrs and the rise of the Chartist movement. I would classify the Jarrow marchers as being very much part of that tradition. They undoubtedly had an impact on the way that this country thinks. It may not have been an immediate impact, but it has been lasting. It put the hon. Gentleman's town on the map internationally as a place from which people rightly draw inspiration. I pay tribute to him and to the people of Jarrow on the occasion of the 75th anniversary of the march.

Of course, the hon. Gentleman is right to say that we live in a different world today. Although we live in tough times, the stark, bleak environment in which many of those people lived is not the world in which people live today. We have a welfare state that we all agree is an essential part of providing a safety net for

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those who fall on tough times, including those who lose their jobs. I absolutely agree with him that it is a tough thing, in any circumstances, to lose one's job. Unemployment is a difficult process for any individual to go through.

Grahame M. Morris (Easington) (Lab): Does the Minister agree that, as in the 1930s, we need a realistic plan for jobs and growth?

Chris Grayling: We face a different challenge from that of the 1930s, but I accept that we need a plan for jobs and growth. If the hon. Gentleman will give me a moment to continue my remarks, I will go on to talk about what we are doing about jobs and growth.

I very much accept the principle that unemployment represents a real challenge and difficulty for individuals. It is, and rightly should be, at the top of the agenda of any Government at any time, but particularly at a time such as this when we are feeling the chill winds of a very difficult international economic situation and dealing with some of the biggest financial challenges seen in the peacetime history of this country. At the same time, we must not and will not forget the real human impact of unemployment, and we will do everything we can to tackle it.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): I, too, commend my hon. Friend the Member for Jarrow (Mr Hepburn) for securing this debate. The Minister says that these times are different from the 1930s. Does he agree that the impact of the current recession is particularly hard felt in the north-east, where youth unemployment has increased by 18% in the past year? Does he have some hope to offer, particularly for the north-east?

Chris Grayling: Absolutely I do. If the hon. Lady listens to the interviews I give at the time of the monthly unemployment figures, she will know that I always look to the north-east first. It represents the biggest employment challenge in the UK, and it is, should be and will be a priority for this Government. I welcome today's announcements by my right hon. Friend the Deputy Prime Minister about investment in manufacturing and research and development in the north-east through the regional growth fund. Ironically, given the comments of the hon. Member for Jarrow about what took place back in the 1930s at the time of the march, the disappearance of such a large section of the private sector in the town of Jarrow makes it of paramount importance to us that we work in every way we possibly can to rebuild, re-energise and re-dynamise the manufacturing sector in the north-east. It is from that part of our economy that the future prosperity of the north-east will come.

Ian Swales (Redcar) (LD): I congratulate the hon. Member for Jarrow (Mr Hepburn) on this fascinating debate and on his superb speech. Will the Minister join me in welcoming the fact that the regional growth fund that he mentioned allocated the largest proportion of its funds to the north-east region?

Chris Grayling: I do indeed. That is an indicator of the priority that this Government place on the north-east. It is a part of the country that, as we all accept, faces real challenges, and we want to do everything we can to help. Moving slightly down the country geographically, I was particularly gratified when the steel plant in Redcar was rescued and put back on the straight and narrow. I am delighted that steelworkers in Redcar are moving back into employment. That is the kind of change that I want to see in the north-east—a resurgence of the manufacturing sector.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): I thank my hon. Friend the Member for Jarrow (Mr Hepburn) for securing this debate. Ellen Wilkinson, who was involved in the march and who was the MP for Middlesbrough East before being the MP for Jarrow, remarked at the time that the private sector investment that brought Jarrow back to its full manufacturing glory happened because there was public-led investment first.

Chris Grayling: I hope that today's announcements of public funding to provide grant support to manufacturing, research and development, and infrastructure investment not only in the north-east, but in other parts of the country, will play their part in achieving the goal that we all share of growth in the private sector and unemployment coming down in the north-east.

Phil Wilson (Sedgefield) (Lab): I commend my hon. Friend the Member for Jarrow (Mr Hepburn) for securing this debate. Is it not true that the regional growth fund is only a third of what it used to be under the regional development agencies?

Chris Grayling: I am not sure what the hon. Gentleman means by it being a third of what it used to be, because this is a new initiative. We are targeting money specifically at investment in manufacturing and research and development. I must say that some of the examples from the regional development agencies were pretty poor. I have seen examples from the north-west of misjudged investments and strategies. I believe that targeting grant support specifically on projects that will create jobs in the short term in the north-east and elsewhere is the right thing to do.

Grahame M. Morris *rose—*

Chris Grayling: I will give way one more time and then I must make some progress.

Grahame M. Morris: I must congratulate my hon. Friend the Member for Jarrow (Mr Hepburn) on securing this important debate. There are important parallels with what is happening today. Is it not a travesty that we do not, in effect, have a regional policy? The abolition of RDAs has taken us back not to the 1980s, but to the 1960s. The regional growth fund is a complete misnomer because any part of the United Kingdom, even wealthy areas in the south and south-east, can bid for its support. We do not have regional policy now, so we are left to the vagaries of God and good nature.

Chris Grayling: I disagree with the hon. Gentleman, because I think that the creation of the local enterprise partnerships gives a much better and more localised focus to economic developments. It avoids the situation whereby, for example, a regional development agency in

the north-west is trying to form a judgment on whether it should focus on the two great cities of Liverpool and Manchester, rather than having the decisions about those cities taken in Greater Manchester and on Merseyside. A localised focus for regional development is the right approach.

Ian Lucas (Wrexham) (Lab): First, I congratulate my hon. Friend the Member for Jarrow (Mr Hepburn) on securing this debate. Secondly, I would like to bring the Minister back to the north-east. The north-east had an excellent regional development agency. When I was privileged to serve as a business Minister in the last Labour Government, I saw examples of One North East's work with Nissan and Hitachi, which secured massive investment in the north-east. The regional growth fund has taken responsibility away from the north-east and given it to a centralised system run from the south-east. That is entirely inappropriate.

Chris Grayling: Having looked at the list of investments that are being made today, I cannot agree with the hon. Gentleman. It is a matter of great pleasure to hon. Members such as me and my hon. Friend the Member for Redcar (Ian Swales) to see the north-east receiving such a large proportion of the fund. That is right and proper, because what I want to see above all else is jobs being created and unemployment coming down in the north-east. That is a goal that we all share.

Jonathan Ashworth (Leicester South) (Lab): Will the Minister give way?

Chris Grayling: I will just make a bit of progress and then I will give way.

The hon. Member for Easington (Grahame M. Morris) asked me about the economic strategy and he made a fair point. In my view, we have to focus on jobs, growth and high-quality back-to-work support for the unemployed. I appreciate that this is a point of difference between us, but it is my view that a central part of rebuilding economic prosperity in this country is dealing with the deficit that Labour Members left behind. The reason why I say that is straightforward: if we were not dealing with the deficit and if we were not seen to be bringing our public finances under control—

Grahame M. Morris *rose—*

Chris Grayling: Let me finish. If we were not doing those things, we would be facing the economic uncertainties that we see right now in other European countries. Does anybody seriously believe that if we were in that economic position, we would be seeing private sector organisations willing to invest and create jobs? Private sector jobs have been created in this country over the past 12 months. Had we not set about dealing with the deficit, unemployment today would be higher, not lower.

Mr Hepburn: It is fascinating that when the Prime Minister is in the Chamber and has the Tories sitting behind him, all he has to do is talk about how Labour left them the debt and they all howl, but when he goes away and talks to audiences who are more distinguished or more educated in finance, such as the IMF and Europe, he starts talking about the world crisis. The fact is that after the second world war, we had a bigger proportion of debt than we have now, yet we built the welfare state and a full employment economy. We did not have the whinges from the Tories that we have now, which are merely excuses for their policies.

Chris Grayling: Obviously, the hon. Gentleman and I are not going to agree on that point, but he simply has to look around at the rest of Europe to see the consequences of over-borrowing, unsustainable debt and large budget deficits. This Government have set about the task of dealing with that problem, which is the path to economic stability.

Alongside that, we of course need measures that are designed to support the growth of business. That is why we have cut corporation tax and why we are providing additional incentives through corporation tax for investment in intellectual property. It is also why we have modernised and reintroduced the enterprise zone model in a number of places in the north-east, which is a further positive step for the area. We are seeking to deregulate in areas such as health and safety and employment law not because we want the wrong thing for employees in this country, but because the evidence is that a more flexible labour market is a better way of creating an environment in which jobs are created.

Grahame M. Morris: The message from Government Members is that this economic crisis is built on debt, but the point of view of some of us is that the debt crisis results from a financial crash that was not made here in Britain. However, whether the economic crisis is because of famine, war, debt, corruption or ineptitude, surely we require some kind of growth strategy. Your argument that we cannot possibly get out of the debt crisis by incurring more debt simply does not hold water. Whatever the cause, we must get growths and jobs, especially in my area.

Mr Speaker: Order. I am grateful to the hon. Gentleman, but I would just point out that I am not offering any argument at all.

Chris Grayling: I am afraid that the hon. Gentleman has to understand that it is unsustainable for a country to borrow £1 in every £4 that it spends, which was the situation when the previous Government left office. If you did that with your household income, Mr Speaker, you would rapidly discover that you were in severe financial difficulties. Britain is no different. We must get our financial position under control, or we will see unemployment rise higher than it would otherwise.

Alongside the need to pursue a strategy of getting the finances in order and of targeting support at enterprise through enterprise zones, tax reductions and the changes that we have set out today, we must provide much better support for the long-term unemployed to get them back into the workplace. The introduction of the Work programme, which across this country today provides specialised back-to-work support for the long-term unemployed—*[Interruption.]* From a sedentary position, the hon. Member for Wrexham (Ian Lucas) calls out, "No jobs." The truth is that each week, even in difficult economic times, Jobcentre Plus is taking in around 90,000 vacancies. They are estimated typically to be only around half the total number of vacancies in the economy. Therefore, over the next 12 months, in Britain

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as a whole, the best part of 10 million people will move into new jobs. My goal, and the goal of the Work programme, is to ensure that as many of those jobs as possible go to the long-term unemployed. I do not want those people left on the sidelines, and I do not want them struggling for years on benefits, unable to get back into work.

The hon. Member for Jarrow mentioned the work capability assessment, which was introduced by the Labour Government. We have improved that with a view to ensuring that it is a more reflective process, and that we take into account the very real needs of the most severely disabled. Crucially, our improvements are also about helping people with disabilities to get back into the workplace. That is an essential part of turning their lives around and an essential part of a smart social policy for this country, which is essential.

My message to the hon. Gentleman is this: we understand the challenge that unemployment represents. His town has made a great contribution to raising the importance of unemployment for Governments of all persuasions over the past 75 years. He should take credit for the work that his town did then and has done since. We will do everything we can to ensure that, in 2011, we have a smart strategy to deal with unemployment, to help people not just in Jarrow, but right across the country.

Question put and agreed to.

11.14 pm

House adjourned.

House of Commons

Tuesday 1 November 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

LONDON LOCAL AUTHORITIES AND TRANSPORT FOR LONDON (NO. 2) BILL [*LORDS*] (*BY ORDER*)

TRANSPORT FOR LONDON (SUPPLEMENTAL TOLL PROVISIONS) BILL [*LORDS*] (*BY ORDER*)

Second Readings opposed and deferred until Tuesday 8 November (Standing Order No. 20)

Oral Answers to Questions

TREASURY

The Chancellor of the Exchequer was asked—

Eurozone

1. **Dr Julian Lewis** (New Forest East) (Con): What assessment he has made of the potential effects on UK interests of the creation of an economic government of the Eurozone. [77440]

The Chancellor of the Exchequer (Mr George Osborne): We have had positive gross domestic product numbers this morning, but the biggest single boost to the British economy this autumn would be a lasting resolution of the euro crisis. Such a resolution requires, among many other things, greater fiscal integration within the eurozone as it follows the remorseless logic of monetary union. We have made it clear that Britain will not be part of that fiscal integration, and that issues affecting Britain, such as the single market and financial services regulation, must continue to be decided at EU level.

Dr Lewis: If the Liberal Democrats had had their way, we would have joined the euro with disastrous consequences. Now, the liberal Conservatives are advising us to support fiscal union in the eurozone, which will lead to economic union and a single government. How does my right hon. Friend really feel about a policy undermining the system of democratic states in Europe that gave the continent peace for more than half a century?

Mr Osborne: Those who were against Britain joining the euro, including my hon. Friend and me, were against it partly because we felt that it would lead to greater fiscal integration. That was one of the arguments for keeping Britain out. There is a remorseless logic driving monetary union towards greater fiscal integration, but it is in Britain's overwhelming economic national interest to have stability in the eurozone, so I think that that fiscal integration is part of what is required. Of course, we have to ensure that Britain's interests are protected, that we are not part of that fiscal integration, and that issues such as the single market and financial regulation are conducted at the level of the 27.

Mr Wayne David (Caerphilly) (Lab): The Chancellor talks a great deal about fiscal integration in the eurozone, but will he tell us precisely what he means by fiscal integration?

Mr Osborne: We shall see the 17 members of the euro attempting to co-ordinate their budget policies better, and more mutual surveillance, with sanctions, for those who do not do what has been agreed. I have to say that the confusion, if there is any, is in Labour's policy, because it is now holding open the prospect of membership of the euro, which would be the ultimate fiscal and monetary integration.

Mr Andrew Tyrie (Chichester) (Con): Does the Chancellor agree that it is wholly unacceptable that the rest of Europe should be held to ransom by Greece? What would be the consequences for the UK and the eurozone of a no vote in a Greek referendum?

Mr Osborne: There is no doubt that the decision by the Greek Prime Minister has added to the instability and uncertainty in the eurozone. We can see that today. We are trying to create stability and certainty in the eurozone. Ultimately, it is up to the Greek people and the Greek political system to decide how they make their decisions, but I believe that it is extremely important for the eurozone to implement the package that it agreed last week. I said at the time that that was crucial, as did everyone else involved. We need to get on with it, sooner rather than later.

Kevin Brennan (Cardiff West) (Lab): Is not the truth that the Chancellor cannot urge any real action in the eurozone because he is stuck with a failed plan that has resulted in our economy bumping along the bottom? It will take more than him wearing a high-visibility jacket on the rolling news to put that right.

Mr Osborne: As I was saying, this morning we had the news that our GDP is growing by 0.5%—[HON. MEMBERS: "Ooh!"] Well, GDP fell by about 6% when Labour was in office and when the right hon. Member for Morley and Outwood (Ed Balls) was advising the last Prime Minister. If we look at growth in France or Germany, the most recent figures show that it was either negative or growing at about 0.1%. The instability in the eurozone and the uncertainty in the world are having an effect on all western economies at the moment, and we have to sort that out, but that is not an excuse for Britain not to deal with its problems, which were created by that lot sitting over there.

Mr John Redwood (Wokingham) (Con): Will my right hon. Friend ensure, if he is not using our veto against more fiscal integration, that Britain gets something out

of the deal? Do we not need the right to opt out of any past or future EU measure that could damage jobs and prosperity at home?

Mr Osborne: We have already extracted a price for the European Stability Mechanism treaty that the eurozone wants to put forward by getting ourselves out of the EU bail-out mechanism to which the last Government had committed us. We are working to keep the increase in the EU budget to a real freeze. In other words, we have, I think, proved in office that we can extract important concessions and in the case of the EU bail-out fund we have actually taken a power back to Britain. That will be the approach we take to future discussions and negotiations—putting Britain's national interest first.

Chris Leslie (Nottingham East) (Lab/Co-op): Why did the Chancellor's statement last Thursday about economic governance in the eurozone fail to mention the most important missing ingredient—a strategy for jobs and growth? Was it an accident or was it deliberate? He has been telling us all summer that Britain is a safe haven, yet growth is weak, unemployment is rising and construction and manufacturing are both contracting. What kind of safe haven is that?

Mr Osborne: First, may I congratulate the hon. Gentleman on keeping his job in the clear-out of the Labour Treasury Front-Bench team—although on the basis of that question, I am not sure why he did? The whole purpose of our negotiations in Europe and the whole purpose of what we are doing at home is to stabilise the British economy and set it on a path of growth and jobs. We inherited a situation where unemployment had rocketed under the Labour Government and we had the deepest recession of any country in the world, apart from Japan. We are rescuing that situation, and it is reflected in the very low interest rates paid in this country in comparison with all those other countries.

Long-term Unemployment

2. **Chris Williamson** (Derby North) (Lab): What assessment he has made of the effects of the 2011 Budget on long-term unemployment. [77442]

12. **Mr Kevin Barron** (Rother Valley) (Lab): What assessment he has made of the effects on unemployment of the outcome of the comprehensive spending review. [77453]

The Chief Secretary to the Treasury (Danny Alexander): The independent Office for Budget Responsibility published its forecast for unemployment in March. Unemployment is a serious problem for the UK, with about 1 million people continuously on out-of-work benefits for more than a decade. This Government have introduced a number of reforms to the welfare system, including the Work programme—the biggest single payment-by-results employment programme this country has ever seen, which is expected to help 2.4 million claimants over the next seven years.

Chris Williamson: The Chief Secretary should stop being so complacent about long-term unemployment. The truth is that this Government are spending more to keep people on the dole and they are losing income from tax revenues that would otherwise be paid on income tax and VAT. Is it not time that the Government adopted a plan for jobs and growth to get the economy moving again? The right hon. Gentleman could do worse than adopt Labour's five-point plan for economic growth and avoid the spectre of stagflation for years to come.

Danny Alexander: I am not sure that Labour's five-point plan would help the British economy, given that it involves spending an extra £20-odd billion, putting at risk the fiscal credibility that is so important to maintaining employment in this country. Nor do I think the hon. Gentleman should be so critical of the Work programme, which after all is designed to tackle the legacy of 1 million people who have been out of work for more than 10 years—a legacy for which his party is responsible.

Mr Barron: Is it not true that the increase in unemployment caused by the comprehensive spending review is a heavy burden both for the individuals and the families concerned and for the economy? What does the Minister say to the fact that the Government have had to borrow £46 billion more this year than they were planning to borrow?

Danny Alexander: The right hon. Gentleman is absolutely right that unemployment is a heavy burden for any individual or any family. We inherited from Labour the largest budget deficit this country has ever seen. It was incumbent on this coalition Government when we came into office to take the action necessary, otherwise we would have found ourselves in a position that many other European countries face, which would have been a great deal worse for the very people the right hon. Gentleman claims to be concerned about.

Karen Bradley (Staffordshire Moorlands) (Con): One of the key weapons in tackling youth unemployment is the use of apprenticeships, so will my right hon. Friend join me in welcoming the news that in Staffordshire Moorlands the number of apprentices has gone up from 480 in 2009-10 to 760 last year—an increase of 60%?

Danny Alexander: I certainly join the hon. Lady in welcoming that. It will provide significant new opportunities for young people in her constituency. Of course it is part of the increase of 250,000 apprenticeships that this Government have put in place.

Simon Hughes (Bermondsey and Old Southwark) (LD): After this morning's encouraging news, does my right hon. Friend accept that one way of maximising employment is to give people the right to have flexible employment if that is what they wish? Given that the coalition agreement pledged to give people the right to request flexible employment, can he report on progress in implementing that commitment?

Danny Alexander: My right hon. Friend is correct, and it is a great shame that Labour Members sneer at the economic growth that has been reported today. As my right hon. Friend says, flexible employment is an important part of that growth. We set out plans in our coalition agreement, and we have announced proposals to implement them by the end of the current Parliament.

Rachel Reeves (Leeds West) (Lab): I must say that I find the Chief Secretary's answers incredibly complacent. Given that unemployment is at a 17-year high and long-term youth unemployment has risen by more than 60% since the start of the year, we all know what impact the Chancellor's policies have had on unemployment. Instead of being complacent, will the Government support calls for them to repeat the bankers' bonus tax in order to create 100,000 extra youth jobs and to introduce a national insurance holiday for small businesses taking on new workers? That is what Labour has proposed in its five-point plan. We need policies that will get the economy moving again and reduce unemployment, thus reducing the deficit. When will the Government act?

Danny Alexander: The hon. Lady's position would have more credibility if she recognised the fact that youth unemployment rose during Labour's time in office, as did long-term unemployment. As for her proposal for a bonus tax, that was written off by the last Chancellor of the Exchequer, who said that it could not work. She should listen to her own colleagues first.

Tax Avoidance and Evasion

3. **Stuart Andrew** (Pudsey) (Con): What steps he is taking to reduce tax avoidance and evasion. [77443]

The Chancellor of the Exchequer (Mr George Osborne): We have made it clear that tax evasion is both illegal and immoral, and that this Government will not tolerate it. We are increasing the number of staff at Her Majesty's Revenue and Customs who are dedicated to tackling tax evasion and tax avoidance to 2,500. We also aim to increase the amount of tax collected by £7 billion, and, unlike the last Government, we have concluded a treaty with Switzerland to get back the money that individuals should have paid here in the United Kingdom.

Stuart Andrew: I have been contacted by a fair number of constituents who have expressed concern about tax avoidance. I welcome many of the measures that the Government have introduced to tackle this unfairness. Is the scope of the recent tax avoidance agreement between our Government and the Swiss likely to include cases in which tax is not paid by individuals who are tax-exiled in Switzerland, such as the widely reported case of Mr Andrew Rosenfeld?

Hon. Members: Give him a job!

Mr Osborne: Actually, you just have. You made him your general election strategist. However, I will not comment on the tax affairs of individuals, although I suspect that many will over the coming years.

David Miliband (South Shields) (Lab): The Chancellor will remember, in his first Budget, fixing a target for debt

"to place our fiscal credibility beyond doubt". —[*Official Report*, 22 June 2010; Vol. 512, c. 167.]

That target was for debt to be reduced by the end of the Parliament, but, according to figures from the Office for Budget Responsibility, it depends on economic growth of 2.8%. How far below 2.8% must growth fall for the Chancellor's fiscal mandate and his fiscal credibility to be shot to pieces?

Mr Speaker: Order. The question refers to a reduction in tax avoidance and evasion.

Mr Osborne: Tackling tax evasion and avoidance—to which the question refers—will help us to reduce both the deficit and the debt. We have the fiscal mandate and the debt target. That has been independently verified by the Office for Budget Responsibility—which is in marked contrast to the situation when the right hon. Gentleman was in the Cabinet—and on 29 November it will provide its update.

Mr Gary Streeter (South West Devon) (Con): Although we are all in favour of dealing with tax avoidance and evasion, are not some of the heavy-handed tactics used by HMRC to collect tax, including the imposition of late-payment penalties under the Labour Government, helping to stifle some growth in small and medium-sized businesses? Will the Chancellor examine the position to ensure that HMRC is being fair?

Mr Osborne: Of course we always want HMRC to approach things in a proportionate manner, and it certainly handles large companies and their tax bills better than it did several years ago. However, we must collect the tax that is owed. That is a very important principle at any time, and it is particularly important at a time when we are all having to make difficult decisions in our attempts to reduce the budget deficit. We will not tolerate tax evasion, and we do apply penalties to people who do not pay their tax on time.

Owen Smith (Pontypridd) (Lab): The Chancellor is talking a good game, and yesterday the Exchequer Secretary announced the establishment of an "affluent unit" to tackle tax avoidance. For the sake of clarity, I should add that that is not a pet name for the Tory Front Bench, but a department in HMRC. However, the £900 million is not new money. It is not additional, and nor are the 200 staff. Is not the reality that the Government are more interested in offering tax breaks to the wealthiest than in tackling tax avoidance?

Mr Osborne: This is the Government who have introduced additional charges for long-staying non-doms; Labour had 13 years in which to do that, but they did not. This is the Government who have concluded a tax treaty with Switzerland; the previous Government had an opportunity to do that—[*Interruption.*] Well, this is what a Europe Minister in the last Government said:

"Swiss...deal offered to HMG...more than decade ago but GB turned it down thus losing billions in revenue".

They had 13 years to deal with tax avoidance and evasion. We are dealing with it now, while they must account for their new general election strategist.

Unemployment (Women)

4. **Fiona Mactaggart** (Slough) (Lab): What assessment he has made of the effects of the 2011 Budget on unemployment amongst women. [77444]

The Economic Secretary to the Treasury (Miss Chloe Smith): The Office for Budget Responsibility published its unemployment forecasts in March 2011; taking full account of announcements at Budget 2011, but it does not publish forecasts by gender. The Government are

committed to tackling unemployment and helping support women into work. The hon. Lady will be aware that female employment has remained broadly steady since the start of 2008. Employment among women aged 25 to 64 is up more than 100,000 since the start of 2008, and has risen by 15,000 in the last three months.

Fiona Mactaggart: But with both women's unemployment and the retail prices index at a higher level than at any time since the Chancellor left university—which was probably when the hon. Lady left primary school—*[Interruption.]* I do not—*[Interruption.]*

Mr Speaker: Order. All this noise slows down progress. Let's get on.

Fiona Mactaggart: I was welcoming a young woman to the Front Bench, and I am glad to see young people representing people in this Parliament, but I do think it is shocking that we currently have the highest level of unemployment in more than 20 years—

Mr Speaker: Order. I just say to the hon. Lady that what I want is a question with a question mark.

Fiona Mactaggart: Is it not time that this Government delivered for women on employment, and may I suggest that support for women entrepreneurs and delivering promises that they made before the election for 3,000 more midwives and 4,000 extra—

Mr Speaker: Order. We have got the point.

Miss Smith: I have a number of things to say to the hon. Lady, none of which would include any personal questions, of course.

I can assure the hon. Lady that the Government are reducing the deficit fairly, and I would point out in particular that we are taking 1.1 million of the lowest-paid workers out of tax entirely, and the majority of them are women. She will welcome that as much as I do. Furthermore, she should know that unemployment rose to its level of 30% under her party's Government.[1]

Claire Perry (Devizes) (Con): Does my hon. Friend also agree that one of the most important steps this Government have taken is to exempt from the pay freeze the lowest-paid workers in the public sector, 80% of whom are women?

Miss Smith: I certainly do welcome that, and it is important to combine that with taking women out of income tax, as I have already mentioned.

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): May I genuinely welcome the hon. Lady to her new post? I have no doubt that we will have many exchanges across the Chamber, and I hope we will focus on policy.

Back in May, the Minister claimed that the Government's approach to the economy was working because there were 14 fewer unemployed claimants in her constituency. What is she saying now that women's unemployment in the UK has risen to its highest rate since 1988, and, more importantly, what is she going to do about it?

Miss Smith: I will tell the hon. Lady what I am certainly going to do about it, which is join the rest of this Government in working on welfare reform, tax reform, child care reform and many other measures that will take women's unemployment down from its record level, where her Government left it.

Structural Deficit

5. **Damian Hinds** (East Hampshire) (Con): What recent estimate he has made of the size of the structural deficit. [77445]

The Chancellor of the Exchequer (Mr George Osborne): The estimate is that the structural deficit for this year will be 5.3% of GDP, which is down from the record 8.9% in the last year of the previous Government, with it having been the highest in the G7 before the crisis. Of course, these estimates are now provided independently by the Office for Budget Responsibility, rather than being fiddled by the close advisers of the Chancellor and the Prime Minister, as used to happen.

Damian Hinds: Other countries face fierce criticism for their tardiness in addressing not only their immediate deficit, but their growing medium and long-term liabilities. How is progress in that regard for the British Government?

Mr Osborne: We are bringing the deficit down from the record levels that we inherited, which has in part provided stability in the financial markets for sterling and our interest rates. That has been absolutely crucial, as we can see in the very high interest rates faced by not just Greece and Portugal, but now even by countries such as Italy and France, which face significantly higher interest rates than we do. That is of course a huge boost to the British economy.

Graeme Morrice (Livingston) (Lab): Does the Chancellor think that rising unemployment and growth of just 0.5% in 12 months will make it easier or harder to get the deficit down?

Mr Osborne: This morning's GDP numbers are a positive step, but of course the British economy has a difficult road to travel from the very high debts—the record debts—that we inherited. That is made more difficult by the international situation, as people can plainly see today, but we are determined to make that journey to the growth and prosperity that this country was so lacking under the previous Government.

Social Impact Bonds

6. **Mark Garnier** (Wyre Forest) (Con): What recent discussions he has had on social impact bonds. [77447]

The Chief Secretary to the Treasury (Danny Alexander): Important work is going on within both the social investment sector and government to develop and test social impact bond models, and we meet regularly with colleagues to discuss the progress that the Government are making in growing the social investment market, including through social impact bonds.

Mark Garnier: My right hon. Friend will be well aware of the exciting potential that social impact bonds have, not only in offering financial support for the third sector, but in securing genuine savings for the Government.

1. *[Official Report, 3 November 2011, Vol. 534, c. 6MC.]*

Will he or one of his Ministers meet me and representatives from the Social Finance investment bank to explore ways in which the Treasury can help to maximise the potential of this nascent financial instrument?

Danny Alexander: The hon. Gentleman is absolutely right about the enormous potential of this sector, and I congratulate him on his work and the close interest he has taken in this subject. The Exchequer Secretary to the Treasury would be very happy to meet both him and representatives of the Social Finance investment bank.

Mr Speaker: I call Kelvin Hopkins.

Kelvin Hopkins (Luton North) (Lab): Next question.

Government Debt

7. **Jesse Norman** (Hereford and South Herefordshire) (Con): What recent estimate he has made of the level of central Government debt. [77448]

11. **Mr Robert Buckland** (South Swindon) (Con): What recent estimate he has made of the level of central Government debt. [77452]

The Exchequer Secretary to the Treasury (Mr David Gauke): The Office for National Statistics publishes central Government debt figures monthly. The latest figures released on 21 October gave central Government gross debt as £1.2 trillion or 77.6% of GDP in September. The Government use public sector net debt for their fiscal targets. That figure is also published by the ONS, and it was £966 billion or 62.6% of GDP last month.

Jesse Norman: I thank my hon. Friend for that response. This country continues to bear a huge burden of private finance initiative debt. The Government have made important progress in improving the cost and operation of PFI over the past 18 months. Does he share my view, and that of many of my colleagues, that more can be done to secure a fair deal on PFI, while securing investment in our infrastructure?

Mr Speaker: It would help if the Chair could actually hear the question being asked.

Mr Gauke: My hon. Friend has campaigned tirelessly on this matter. As he knows, the Government have improved the assurance and approval arrangements for PFI, and the transparency. We are seeking to obtain £1.5 billion of savings on existing stock of PFI contracts, and we will of course continue to work hard to improve the situation.

Mr Buckland: With gilt yields at their lowest for 60 years, does this situation not show that the international markets have huge faith in the UK's debt reduction strategy?

Mr Gauke: My hon. Friend is absolutely right and that point was confirmed yesterday by the OECD. We would be a very foolish Government indeed to throw away that credibility by pursuing a policy of spend and borrow as the Labour party advocates.

Kelvin Hopkins (Luton North) (Lab): In 1945, Britain had higher Government debt than now and the Government of that time did not impose cuts but ran a full-employment economy and there was rapid growth. Is it not time that the Government took a leaf out of Labour's book in relation to running the economy?

Mr Gauke: May I just make the point about the 1945 Government that they were running surpluses from 1948 onwards? If memory serves, the debt in 1945 was 232% of GDP and by 1951 it was 178% of GDP, so they brought debt down. That is not a bad thing to do and this Government want to do it, whereas the Labour party wants to put debt up.

Sammy Wilson (East Antrim) (DUP): Given the increase in debt caused by the lower growth rates and the impact that that is likely to have on the Government's deficit reduction plan, what impact does the Minister believe that will have on the United Kingdom's credit rating? Does he believe that steps need to be taken to inject growth into the economy?

Mr Gauke: It is worth pointing out what Standard & Poor said recently when it confirmed our triple A credit rating. It said that if we abandoned our fiscal plans—if we borrowed more—that credit rating would be at risk. The best way of keeping our triple A rating is by sticking to the plan.

Green Growth

8. **Andrew George** (St Ives) (LD): What plans he has to bring forward fiscal measures to support green growth. [77449]

The Economic Secretary to the Treasury (Miss Chloe Smith): The Government are committed to supporting green growth, as is demonstrated by the green investment bank, which was allocated £3 billion in the spending review, by the carbon price floor, which is designed to drive investment in low-carbon power generation, and by the green deal, which supports households and businesses in increasing their energy efficiency at no up-front cost.

Andrew George: May I, too, extend a very warm welcome to my hon. Friend the Economic Secretary?

In the Budget, the Chancellor pledged to consider incentives to encourage take-up of the green deal. One idea is to have a stamp duty particularly for the least energy-efficient homes. How does my hon. Friend intend to advance those incentives and is she prepared to meet me and industry representatives to find a way forward with the Chancellor's incentives?

Miss Smith: May I take this opportunity to thank my hon. Friend and others for their kind words regarding my role?

As I have mentioned, the green deal is a key part of supporting such green growth and the Government are taking a range of actions to help people to gain control of their household energy bills. I certainly note my hon. Friend's suggestion and I am happy to meet him to discuss options within public finance constraints.

Mr Pat McFadden (Wolverhampton South East) (Lab): May I also welcome the new Minister to her post? She will be aware of the importance to the UK economy of

energy-intensive industries such as the steel, chemicals and ceramics industries. German competitors in such industries are benefiting from rebates worth more than €5 billion a year; will she consult the Chancellor and make sure that the pre-Budget report includes a special package of measures for those industries so that rising energy costs do not simply result in jobs being exported abroad?

Miss Smith: I know that my right hon. Friend the Chancellor is looking into exactly this and we shall be reporting back on it.

National Insurance Holiday

9. **Rosie Cooper** (West Lancashire) (Lab): How many firms have participated in the national insurance holiday for new businesses. [77450]

The Exchequer Secretary to the Treasury (Mr David Gauke): As of 25 October 2011, Her Majesty's Revenue and Customs had received 8,761 successful applications for the national insurance contributions holiday. A breakdown of information by constituency on the amounts claimed and jobs supported for the first year of the scheme will be published shortly in a factsheet in the House of Commons Library.

Rosie Cooper: Could the Minister tell the House how much of the £1 billion allocated for the national insurance holiday has actually been given to businesses?

Mr Gauke: As I say, we will be updating the House with all those details shortly, but there are 1,600 or so businesses in the north-west region that are benefiting from it. I visited one of them not far from her constituency a few weeks ago which was very appreciative of the scheme. Where the scheme is available, I encourage hon. Members to highlight it to their constituents.

Julian Smith: May I urge the Minister to reconsider auto-enrolling new businesses on to the scheme, so that rather than their having to apply for it they are placed on it automatically?

Mr Gauke: We looked at auto-enrolment but one of the difficulties was the fact that it would have been years before we could have put it fully in place and we wanted to move quickly to have the scheme in operation. It is important that we highlight the scheme and make sure that publicity is available and that businesses are aware of it. The businesses that I have met that have taken up the scheme are very appreciative of it and it helps them in those difficult first few months.

Economic Growth

10. **Nick Smith** (Blaenau Gwent) (Lab): What assessment he has made of the level of economic growth in (a) the UK and (b) other EU members states in the last 12 months. [77451]

The Financial Secretary to the Treasury (Mr Mark Hoban): Eurostat publishes GDP growth data on all EU member states. These data show the UK economy growing in the most recent three quarters. The IMF's latest forecast shows the UK economy growing this year, and growing faster than the economies of France, Germany and Italy next year.

Nick Smith: *The Times* says today that the Government's plans for growth are "piecemeal" and their implementation "patchy". Given that long-term youth unemployment is up by 60%, do we not need a proper programme for jobs?

Mr Hoban: The hon. Gentleman will realise that the biggest increase in youth unemployment in recent years took place when his party was in government. This Government have put in place the long-term foundations to tackle unemployment and raise growth across the UK.

Charlie Elphicke (Dover) (Con): May I welcome today's excellent economic growth figures, which are well ahead of forecasts at 0.5%? Our growth is just as high as US growth this year, without the massive fiscal stimulus. Is that not right?

Mr Hoban: My hon. Friend makes an important point. It would have been better if the Labour party had welcomed today's growth figures rather than talking our economy down.

Stephen Timms (East Ham) (Lab): When we embarked on the economic course that the Government have set, Ministers told us that because they were tackling the deficit aggressively, there would be a surge of private sector confidence—and, therefore, investment and jobs. Many people agreed with them. Now that we know that expectation was mistaken, surely there must be a change of course.

Mr Hoban: Every reputable international organisation that talks about what is happening in the UK economy now recognises that the Government need to stick to the course, rather than throwing away the valuable credibility that we have gained as a consequence of tackling the mess left behind by the previous Government.

Andrea Leadsom (South Northamptonshire) (Con): Does my hon. Friend agree that having our own currency is one of the keys to turning round our economy? Does he share my astonishment that the Labour party does not rule out joining the single currency?

Mr Hoban: It is remarkable, is it not, that when the Leader of the Opposition was asked whether a Labour Government would join the euro, his answer was:

> "It depends how long I'm prime minister for."

This Government have closed down the euro preparations that the Labour party set up, and that is why I think that we have taken the right decision to stay out of the euro and tackle our debt and deficit problems. That is why we have low interest rates, which help strengthen the recovery in this country.

Youth Unemployment

13. **Mrs Linda Riordan** (Halifax) (Lab/Co-op): What fiscal measures he is implementing to address youth unemployment. [77454]

The Exchequer Secretary to the Treasury (Mr David Gauke): The 2011 Budget announced a £200 million package of support, including 100,000 work experience opportunities for young people, skills training, guaranteed interviews and progression into apprenticeships. This is in addition to the £7.6 billion that we are investing in education and training for 16 to 19-year-olds this year and the £1.4 billion that we are investing in apprenticeships. Young people will also benefit from priority access to the Work programme, which started in June.

Mrs Riordan: What my constituents want is action rather than words, especially on youth unemployment, which stands at nearly 10% in Halifax. When will the Government take real measures to get young people into work and contributing to the economy and society in a positive way?

Mr Gauke: As I said in my answer, we are introducing more apprenticeships, and young people will have priority in the Work programme. The hon. Lady highlights youth unemployment in Halifax. The last estimate showed that it increased by 0.6% from June 2010 to March 2011—but I also have to point out that from 2004 to 2010, youth unemployment increased by 8.5% in Halifax.

Matthew Hancock (West Suffolk) (Con): Does the Minister share my concern that even during the boom years youth unemployment rose? Will he join me in commending the work placement scheme in Haverhill in my constituency? The work programme and the new flexibility at the jobcentre means that young people can be put into work placements, and more than half of those put in placements end up getting a permanent job.

Mr Gauke: Clearly the news from Haverhill is very encouraging, and I am delighted to hear it. I agree with my hon. Friend's comment; it is striking that youth unemployment started increasing in 2004, at a time when the economy appeared to be in good shape.

Economic Policy

14. **John Howell** (Henley) (Con): What recent representations he has received from the IMF and the OECD on UK economic policy. [77455]

The Financial Secretary to the Treasury (Mr Mark Hoban): The International Monetary Fund and the OECD regularly hold frank bilateral discussions with each member country. When Christine Lagarde, the managing director of the IMF, visited London in September, she stated:

> "In the United Kingdom strong fiscal consolidation is essential to restore debt sustainability, given the UK's very high structural budget deficit and large financial sector relative to GDP."

Angel Gurria, secretary-general of the OECD, said yesterday of the UK:

> "You were successful. You cleared the markets. The package was credible...The markets never discuss the quality of the rating of the UK."

That is a consequence of the actions this Government have taken to tackle the mess left behind by the previous Government.

John Howell: I thank the Minister for that reply, but what advice has he been given on the consequences of our failing to pay our IMF subscription?

Mr Hoban: My hon. Friend asks a very good question. It is a sad indictment of the state of today's Labour party that it voted against the increase in the IMF subscription negotiated by the—

Mr Speaker: Order. The Minister has said enough, and he has said it about another party's policy. We need to move on.

Geraint Davies (Swansea West) (Lab/Co-op): Is it not accepted now by the international community that the announcement by the Chancellor a year ago that he would cut half a million public sector jobs led directly to a reduction in consumer demand, and that it has reduced private sector investment and growth and led to an increase in deficit predictions?

Mr Hoban: The hon. Gentleman should recognise that the action that this Government have taken has earned the endorsement of the IMF and the OECD. That is why we have the low interest rates the economy needs. The Opposition talk about a plan B, but that would actually increase the budget deficit and the interest rates that this country would have to pay.

Job Creation (Private Sector)

15. **Laura Sandys** (South Thanet) (Con): What fiscal measures he is taking to encourage job creation in the private sector. [77456]

The Economic Secretary to the Treasury (Miss Chloe Smith): In Budget 2011 the Government put in place a wide range of measures to support job creation, including supporting business growth by aiming to create the most competitive tax system in the G20, and helping to ensure that it always pays to work, by increasing the personal allowance.

Laura Sandys: I would like to add my welcome to my hon. Friend at the Dispatch Box.

Having run two small businesses, I understand the pressures that small businesses in South Thanet face. How much less will we tax small businesses in the coming years as a result of our tax cuts and the national insurance freeze?

Miss Smith: My understanding is that, compared with the plans of the previous Government, businesses will pay £3 billion less in employer national insurance contributions and more than £1 billion less in corporation tax, as a result of changes announced in Budget 2010.

Alison McGovern (Wirral South) (Lab): Small businesses have been frequent attenders at my regular Friday surgeries, and they tell me that business is hard. Now that the hon. Lady's party's Chancellor has presided over the slowest economic recovery since the first world war, will she explain to small businesses in Wirral how they are supposed to get out of this mess?

Miss Smith: This has been one of the deepest recessions on record, and it is no wonder that times are very hard for people. The hon. Lady must take note of the fact that overall, more than two jobs have been created in the private sector for every one lost in the public sector, which is very clear progress on what her Government left behind.

Lorely Burt (Solihull) (LD): I know that VAT is a somewhat sensitive subject in this place, but has the Minister made an analysis of the costs and benefits and the jobs that would be created by reducing VAT on building refurbishment materials?

Chris Leslie (Nottingham East) (Lab/Co-op): A very good question!

Miss Smith: It is indeed a very good question. I am, sadly, aware that many costs are associated with such a policy, but I would be very happy to discuss such things with the hon. Lady.

Regional Growth Fund

16. **Tom Blenkinsop** (Middlesbrough South and East Cleveland) (Lab): What recent discussions he has had with the Secretary of State for Business, Innovation and Skills on funding for the regional growth fund. [77457]

The Chief Secretary to the Treasury (Danny Alexander): I regularly discuss the regional growth fund with the Secretary of State for Business, Innovation and Skills. Yesterday we announced the outcome of round two of the fund. In total we expect the regional growth fund to support more than 325,000 jobs in the private sector over the next three years.

Tom Blenkinsop: Teesside has not yet received any of its promised RGF funding. The Minister of State, Department for Business, Innovation and Skills, the hon. Member for Hertford and Stortford (Mr Prisk) says that is down to due diligence, which takes an average of between four and six weeks. No one doubts the need for due diligence, but how much is the Chancellor charging businesses that receive RGF funding for seven months of due diligence limbo?

Danny Alexander: The hon. Gentleman will be aware that well over half the projects that were given funding in round 1 are under way, mostly with the private sector funding to start with; the public sector funding will come in later. But I should have thought he would want to welcome the fact that two specific round 2 bids were successful in Middlesbrough in the round that we announced yesterday.

Interest Rates

17. **Oliver Colvile** (Plymouth, Sutton and Devonport) (Con): What recent assessment he has made of the potential effect on household spending of an increase in interest rates. [77458]

The Economic Secretary to the Treasury (Miss Chloe Smith): The Bank of England is responsible for monetary policy, as my hon. Friend knows, and setting the bank rate to meet its inflation target. Action by this Government in the comprehensive spending review and the Budget put the public finances on a sustainable footing and has supported low and stable interest rates. The higher interest rates seen in other countries highlight the risks when financial markets lose confidence in a Government.

Oliver Colvile: Home owners clearly benefit from having low interest rates, but inflation damages savers and consumers. Will my hon. Friend explain how the Government's inflation target is set, and the criteria used to review it?

Miss Smith: I shall, by reference to correspondence, that my hon. Friend will be well able to delve into, between the Chancellor and the Governor of the Bank of England, but I note at this point that the Government believe that low and stable medium-term inflation is a prerequisite for economic growth, and that is what drives our policy.

Topical Questions

T1. [77465] **Tony Lloyd** (Manchester Central) (Lab): If he will make a statement on his departmental responsibilities.

The Chancellor of the Exchequer (Mr George Osborne): The core purpose of the Treasury is to ensure the stability of the economy, promote growth and employment, reform banking and manage the public finances so that Britain lives within her means.

Tony Lloyd: Will one of the Treasury Ministers confirm that public sector workers who work part-time earning less than £15,000 will still pay the 3% income tax? Is this fair, and should not the Government negotiate in good faith, and not simply try to ram this through?

Mr Osborne: The Chief Secretary will shortly set out the full details of our pension offer to the public sector. When people see it, they will see that it is fair to the public sector—people in the public sector will get a much more generous pension than is available in almost any part of the private sector—but it is also fair to the taxpayers. It is, of course, based on the work of John Hutton, a former Labour Pensions Secretary.

T3. [77467] **Jake Berry** (Rossendale and Darwen) (Con): Labour-controlled Blackburn with Darwen council has abandoned pensioners and schoolchildren in my constituency because of a £10,000 bus cut, but it can still find £94,500 to fund trade union officials. Does my right hon. Friend think it is right that the taxpayer picks up the tab for trade union officials?

Mr Osborne: In central Government we have announced that we are reducing the facility time, as it is called, in the civil service because we do not think it is fair that taxpayers should be paying for so many full-time trade union officials. Obviously, it is up to Blackburn with Darwen council to decide how it spends its council tax payers' money, but from what my hon. Friend is telling me, it does not look as if the council is spending it particularly well.

Ed Balls (Morley and Outwood) (Lab/Co-op): Today's figures have shown that the British economy has grown over the past 12 months, since the Chancellor's spending review, by just 0.5%, and Treasury officials have apparently admitted to the BBC this afternoon that the economy is now set to worsen. The IMF says that if the British economy continues to undershoot, the Chancellor should change course to boost growth and jobs. How much longer does the country have to wait before the Chancellor will finally listen?

Mr Osborne: I welcome the right hon. Gentleman back from America. We missed him in our debates last week—even though, by some coincidence, the tone of the debate markedly improved. We have been keeping an eye on what he was saying while he was in America. This is what he told American television: "What the world needs are balanced plans on deficit reduction, and you can't duck that." In America he has to say that so that he is not laughed out of the TV studio. Here he not only ducks deficit reduction; he runs away from it. We are clearing up the mess that he left when he was running Britain's economic policy for 13 years.

Ed Balls: I am afraid people watching this will think that was a deeply complacent answer. Today's figures mean that the Chancellor's figures for growth will be downgraded. They will undershoot the OECD and the IMF growth forecast as well. He tried to blame the eurozone, but the fact is that our recovery was choked off a year ago. Families watching this programme and struggling with their bills, businesses on the edge and young people losing their jobs will all think the Chancellor is completely out of touch. Why does he not understand that if we are to get the deficit down, the country needs a plan for growth and jobs, and it needs it now? How much longer will we have to put up with this prevarication before it is too late, and the Chancellor finally acts?

Mr Osborne: The GDP numbers showed this morning that the British economy is growing, and that is positive news. But of course we have a difficult journey to take, from the deepest recession of our lifetimes and the biggest banking crisis in British history, which the right hon. Gentleman presided over when the Labour party was in government—and it is made more difficult by what is happening elsewhere in the world. *[Interruption.]* Of course that is the case, which is why the growth figures in the British economy are similar to the growth figures in the American economy, or the French economy, or the German economy.

Ed Balls *indicated dissent.*

Mr Osborne: The right hon. Gentleman shakes his head, but in 2011 the British economy has grown at exactly the same rate as the United States economy. It has taken a completely different course from the one that he suggested as shadow Chancellor and yet it has the same growth, which shows that what we are doing is bringing stability to the British economy. Frankly, for him to get up every week and say that we need a deficit reduction plan, but not to give us any details, shows how hopelessly out of touch he is.

T4. [77468] **Dr Julian Lewis** (New Forest East) (Con): If the Greeks can have a referendum on Europe, why can't we?

Mr Osborne: What the Greek Prime Minister has apparently offered the Greek people is a referendum on difficult decisions required to get the budget deficit down. That is what he is talking about. We talked about these things in advance of a general election. Two parties here talked about those difficult decisions. We got elected, we are in government and we are now doing it, and we are recovering from the deep mess that the Labour party left us in.

T2. [77466] **Mr David Crausby** (Bolton North East) (Lab): Will the Chancellor intervene to prevent directors' pay from increasing by another 49% this year? Or if he is not willing to intervene, will he at least explain to those suffering cuts in pay and the loss of their jobs, just how we are all in this together?

Mr Osborne: I have made it very clear, and the Prime Minister has made it very clear, that at all levels of society people have to be mindful of the current economic situation, and that includes highly paid directors and people working for the financial services. Bonuses are significantly lower than they were under the Government whom the hon. Gentleman supported, and we are also introducing measures to encourage transparency in pay, and to give shareholders greater control over executive pay as well.

T5. [77469] **Mr Douglas Carswell** (Clacton) (Con): Is my right hon. Friend aware of the TaxPayers Alliance's excellent report published last week on abolishing national insurance and merging national insurance with income tax? Does he believe that the merger of national insurance and income tax would be a good way to simplify tax in the way that he promised, and will he make it happen?

The Exchequer Secretary to the Treasury (Mr David Gauke): My hon. Friend will be aware that the Government are looking into merging the operation of national insurance contributions and income tax. We are actively looking at ways in which we can make the tax system more transparent and simpler to understand, and we will be saying more on that subject shortly.

T8. [77472] **Luciana Berger** (Liverpool, Wavertree) (Lab/Co-op): What does the Chancellor say to the Federation of Small Businesses, which describes his policies as too timid, and out of touch with the sluggishness of the UK's economy?

Mr Osborne: The FSB, like many other business organisations, has supported what we have done to try to get the deficit down—and of course it also welcomes the fact that not only did we reverse the increase that the Labour Government planned in the small companies rate, but we have also been able to reduce the small companies rate and freeze business rates for another year.

T6. [77470] **Stephen Lloyd** (Eastbourne) (LD): Does the Minister agree that new plans for the Government to lend directly to small businesses and start-ups through credit easing will be beneficial to the economy and will create more jobs? Will the Minister also give me examples of how that will be put into practice?

The Chief Secretary to the Treasury (Danny Alexander): I do agree with my hon. Friend. We will set out more details of our credit easing plan in the autumn statement later this month, but it is a mark of the Government that we are prepared to think differently and intelligently about how we can use such mechanisms precisely to get small businesses going in this country.

T9. [77473] **Andrew Gwynne** (Denton and Reddish) (Lab): Youth unemployment now stands at a shocking 34% in Tameside and 23% in Stockport. Is not the right thing to do to listen to Labour's five-point jobs plan, get the bank bonus tax reinstated and invest in 100,000 jobs for young people?

Mr Osborne: In his pitch for a job, the hon. Gentleman failed to mention that youth unemployment rose by more than 40% under the Labour Government. There is complete amnesia about the fact that 16 months ago they left this country with high unemployment, a high budget deficit, the deepest recession this country has seen in the last 100 years, and the biggest banking crisis in our history.

T7. [77471] **Alun Cairns** (Vale of Glamorgan) (Con): Some of the most needy children in the Vale of Glamorgan and across the UK will benefit from today onwards from the Government's junior ISA. That presents an opportunity to return to a culture of savings among families. What plans have the Government to develop that further?

Mr Osborne: We have indeed announced today the launch of the junior ISA, which will enable many millions of parents to save for their children up to £3,600 a year tax free. It should help more than 6 million children who will be eligible for it immediately and many more as they are born and grow up. It is all about trying to foster a savings culture after the age of irresponsibility and the culture of debt that we saw over the past decade.

T10. [77474] **Stephen Pound** (Ealing North) (Lab): I can assure the Chancellor of the Exchequer that I am not looking for a job—unlike many of my constituents. He talked earlier about fiscal integration. Does he agree that the possibility of a differential rate of corporation tax within the United Kingdom contains severe dangers?

Mr Osborne: As the hon. Gentleman well knows, we are consulting on the possibility of introducing a different corporation tax rate in Northern Ireland, reflecting the fact that the Irish Republic has a much lower corporation tax rate. The consultation is ongoing, and we are of course in discussions with the Northern Ireland Executive. We are clear that Northern Ireland would have to bear the cost of that in forgone revenues, and an important part of the discussions will be working out what exactly those forgone revenues would be.

Jo Swinson (East Dunbartonshire) (LD): I am concerned by reports that the Government are considering breaking with the 20-year convention of uprating pensions and benefits by the September inflation figure, now that the CPI has come in at 5.2%. Does the Chancellor recognise that it would be unfair to change the rules of the game suddenly, hurting vulnerable pensioners and disabled people in the process?

Mr Osborne: We are absolutely committed to the triple lock that we introduced on pensions so that they rise by CPI, earnings or 2.5%, whichever is greater. That is one of the really significant achievements of this Government, which two parties came together to create, and I think that it is something we can be very proud of.

Mr David Winnick (Walsall North) (Lab): May I tell the Chancellor that what is happening in the economy reminds me very much of the havoc and destruction caused by the Thatcher Government in the 1980s, with mass unemployment and poverty? Is it not perfectly understandable why many people are protesting against the sheer injustice, including those who are protesting, and rightly so, outside St Paul's?

Mr Osborne: Again, there is absolutely no recognition that the Government the hon. Gentleman supported presided over the second deepest recession in the entire world. What is the Opposition's explanation for that? Why was Britain so badly affected? Why was the British economy so unbalanced? Why had the gap between the rich and the poor grown? Why had manufacturing halved as a share of GDP? They have absolutely no answers on Labour's record in office.

Mark Menzies (Fylde) (Con): Will the Chancellor, or the Economic Secretary to the Treasury, expand on the advantages that the Warton local enterprise zone in my constituency will bring to businesses, particularly from tax breaks and improved planning rules?

Mr Osborne: I am very pleased that we were able to announce that additional enterprise zone for my hon. Friend's constituents, which reflects the fact that the cut in the US defence budget had an impact on BAE Systems. I am glad that we were able to move quickly to create an enterprise zone, not only in the north-west but in east Yorkshire, to take into account the impact of that decision.

Mr Andrew Love (Edmonton) (Lab/Co-op): If the Government's overriding priority is to eliminate the deficit by the end of this Parliament, why is the Chancellor having to borrow an additional £46 billion during that period?

Mr Osborne: We inherited the highest—*[Interruption.]* The Opposition do not want to hear this. We inherited the highest budget deficit in Britain's peacetime history. That budget deficit is now coming down, and that has contributed to financial stability in this country, in marked contrast with what we see on our television screens around Europe.

Mr William Cash (Stone) (Con): Will my right hon. Friend pass on the message to the Deputy Prime Minister, with his accusations that Conservatives who advocate repatriation and renegotiation are committing economic suicide, that we are facing not only a disastrous two-tier Europe, but now also a two-tier Government?

Mr Osborne: Of course I do not agree with my hon. Friend on this occasion. The coalition Government have been able to get Britain out of the European Union bail-out that we found ourselves in when we came to office. We have been able to keep the budget increases

down—again, in marked contrast with what we found on coming into office. We must now have some serious negotiations to make sure that Britain's interests are protected in Europe, as the remorseless logic of monetary union—I am sure that he accepts this—leads to greater fiscal integration among eurozone countries. That is the reality of the situation facing us, and I think Britain under this Government will be able to negotiate well in our national interest.

Steve McCabe (Birmingham, Selly Oak) (Lab): If the Chancellor cannot bring himself to extend the national insurance holiday to small and micro-businesses because the shadow Chancellor suggested it, will that be easier now that the CBI is also recommending it?

Mr Osborne: The CBI has been absolutely staunch in its defence of our deficit reduction plan, and says that it is crucial for business confidence. If the shadow Chancellor wants to make proposals to increase spending and borrowing, which he is perfectly entitled to do, why does he not also make proposals to cut Government spending and to get the budget deficit down? He talks about providing a medium-term deficit reduction plan, but we have not heard one single line item of it.

Stephen Williams (Bristol West) (LD): Whatever one thinks of the tactics of those who are camping outside St Paul's and in the middle of my constituency, one issue that they are raising that resonates with the British public is the feeling that people are not paying their fair share of tax. Will my right hon. Friend update us on what progress we are making across the House, particularly on lifetime loans—disguised remuneration?

Mr Osborne: My hon. Friend raises a good point. At a time like this, people want to make sure that everyone pays their fair share of tax. We have taken action on the situation in Switzerland and on long-stay non-doms, but he raises a third point about disguised remuneration. That is a way in which people, often in financial services, get away with a much lower rate of tax. Guess who in the House voted against that action? The Labour party.

Several hon. Members *rose—*

Mr Speaker: Order. As usual, this event is heavily oversubscribed. I am sorry to disappoint colleagues, but we must now move on.

Gangs and Youth Violence

3.32 pm

The Secretary of State for the Home Department (Mrs Theresa May): With permission, Mr Speaker, I would like to make a statement on the cross-Government report into ending gang and youth violence. Following the shocking scenes of disorder over the summer, the Prime Minister asked me to lead a review, alongside my right hon. Friend the Secretary of State for Work and Pensions, of gangs and youth violence. Today's report is not the end of that process. It is merely the start of a comprehensive, long-term programme of work to tackle the violence that blights too many of our towns and cities.

We have visited front-line projects; we have analysed youth violence and street gangs; we have met local authority chief executives, senior police officers, voluntary organisations and former gang members; and we have hosted an international conference of experts. Using this research, we have identified what can be done by Government and other agencies to stop the violence and to turn around the lives of those involved. Today's report is an important first analysis of the problem, and of the interventions that work. It provides a platform for the intensive support we will provide to the most affected areas.

If we are honest with ourselves, we need to accept that not enough was done over the years to deal with a problem we all knew existed and we knew was not being addressed. But the riots brought home to the whole country how serious a problem gang and youth violence has become. The statistics show that one in five of those arrested in connection with the riots in London were known gang members. Similar figures were recorded by West Yorkshire police, and Nottinghamshire had only a slightly lower proportion. Most other police forces identified fewer than 10% of all those arrested as known gang members, so gangs were not the sole cause of the riots, but they were a factor. The fact that so many young people who are not involved in gangs were still willing to carry out such serious acts of criminality merely reinforces the urgent need for action.

Gang members and young people engaged in violence do not appear out of the blue. Analysis of their life stories shows certain common factors: parental neglect early in life, often linked to drug addiction or alcohol abuse and violence in the home; a history of poor discipline at school, truancy and exclusion; early brushes with the law for more minor offences; and exposure to older gang members, often based around their local estate. Those factors come up time and again, and during the review we heard powerful real-life examples. Our analysis also showed that gang membership itself can be an important driver of criminality and violence. In London, for example, almost 50% of shootings and 22% of serious violence are committed by known gang members.

Our considered and evidence-based approach is designed to deal with each and every aspect of gang culture and youth violence. It will be based on five areas: prevention, pathways out, punishment, partnership working and providing support.

Preventing young people from becoming involved in gangs and youth violence means starting at the beginning. Research shows that early intervention is the most cost-effective way of reducing violence later in life, so we are recruiting 4,200 extra health visitors and doubling the capacity of family nurse partnership schemes, to help 13,000 young mothers. We are providing £18 million to identify and support domestic violence victims and their children, who are at particular risk of turning to violence in adulthood.

In schools, the pathway for young people into crime is all too clear: from low-level absence, to persistent absence and truancy, to low literacy and poor attainment. That is why our education reforms are focused on: early intervention in the foundation years; taking a rigorous approach to eliminating illiteracy; improving behaviour and discipline; and ensuring that every young person is taught in a way that inspires them and prepares them for the world of work.

If prevention fails and young people are drawn into gangs and youth violence, we need to ensure that we provide viable pathways out. Moments of crisis in a young person's life, such as arrest, exclusion from school or attending an accident and emergency department offer vital opportunities to intervene, so we will work with A and E departments and children's social care providers to help young people who may be affected by gang violence.

For those who are arrested, we will expand schemes to help young offenders with mental health and substance misuse problems, and we will look to provide ways out of gangs for those who have been convicted and served their time. We will therefore improve education provision in young offenders institutions and ensure that all young people who leave prison and claim jobseeker's allowance are referred immediately to the Work programme.

We will also establish a new ending gangs and youth violence team of community activists, NHS experts and police officers. It will offer intensive support to gang-affected areas to help them understand their problem and develop their own solutions, which could include rolling out schemes to re-house gang members who want to exit the gang lifestyle and mediation schemes to prevent retaliatory violence.

Our review found some excellent police work to identify and manage the highest-risk gang members through a combination of targeted surveillance, enforcement and arrest for any offence, however minor, and positive offers of training, employment and drugs treatment for those who want a different life. However, those not prepared to break away from violence will face harsher and tougher punishments. That is why we will consult on making a new offence of possession of an illegal firearm with intent to supply, and on whether the penalty for illegal firearm importation should be increased. We are also consulting on whether the police need additional curfew powers. It is why we are extending the new gang injunctions to 14 to 17-year-olds, for example, to stop gang members entering rival territory, prevent them from being in public with dangerous dogs and require them to undertake positive activities; and it is why we are strengthening our laws on weapons possession so that anyone, including offenders aged 16 or 17, convicted of using a knife to threaten and endanger others will now face a mandatory custodial sentence. Any adult who commits a second very serious violent or sexual crime will now face a mandatory life sentence.

This is not, however, solely a police and criminal justice programme. All the agencies that young people deal with, from teachers to health service workers and social services, need to develop better systems for identifying high-risk individuals, sharing information and working together. Simply throwing more money at the problem is not the answer. We need a more intelligent approach.

We know, for example, that there are families on whom multiple Government agencies spend hundreds of thousands of pounds each year, yet their problems persist. That is why Louise Casey is today starting her work as the head of a new troubled families team to drive forward our commitment to turn around the lives of 120,000 troubled families. We will also deliver our commitment that all hospital A and E departments should share anonymised data on violent assaults with the police and other agencies. Sharing information and taking a multi-agency approach might not sound very exciting, but they work.

Finally, to support local areas, we will target Home Office funds on those places where the most serious gang and youth violence problems exist. We will therefore provide £10 million in funding next year to support up to 30 local areas and invest at least £1.2 million of new resources over the next three years to improve services for young victims of sexual violence in our major urban areas, with a new focus on the girls and young women caught up in gang-related rape and abuse.

For too long, communities have lived in fear of gangs. Many young lives have been ruined; many young lives have been lost. The summer showed that it is time for society to take a stand. It is time for a long-term programme, with intervention at each stage of vulnerable people's lives; it is time for a locally led approach, with agencies working together and sharing information; and it is time for tough enforcement to be backed up by work to address the root causes of gang and youth violence. That is what our programme will deliver and I commend this statement to the House.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): I thank the Home Secretary for early sight of her statement and the Government report.

The Opposition agree with the Government's aim of tackling gang culture. The Home Secretary is right to point to the devastating impact on the victims of gang violence and intimidation and to be concerned about the damage that gangs do to those who get sucked into them, sometimes even in the search for protection. The violence is horrifying; the long-term scars for young people and society are severe. She is right that gangs played a part in the riots, but also that they have played a part in problems such as knife crime that affect some of our major cities.

The Home Secretary also recognises that the overwhelming majority of young people do not get involved in gangs. Indeed, youth crime fell over the course of the previous Parliament as fewer young people were drawn into criminal activity, but we want youth crime to fall further, not to go back up. That is why action on the pernicious effect of gang culture is so important.

I therefore agree strongly with the Home Secretary that effective action requires prevention, early intervention, working in partnerships, tough action and crackdowns on persistent gang activity, and punishment. Effective action needs to involve the NHS, schools and councils as well as the police. We also need action on domestic violence and to consider the impact on women and girls. She should also consider increasing the focus on housing and on the victims of gangs.

I welcome the Home Secretary's work to build on Labour's approach in government, including the family intervention projects and implementing the extension of gang injunctions to 14-year-olds, for which the previous Labour Government legislated before the last election.

I agree with the Home Secretary that we need to go further. I, too, am impressed by some of the work that police and local councils are doing in some areas to target gang members by offering them a way out, but rightly getting tough on them if they will not take it, but I am deeply concerned that the reality of the Government's policy does not live up to the rhetoric. For a start, there is still complete confusion about sentencing policies. Last week, the Home Office told the papers that there would be longer sentences for gang members; yesterday, the Home Secretary told them that there would not be. Her plans on powers are also confused. She will know that many police forces and councils find that ASBOs are one of the most useful tools in disrupting gang activity, yet her policy still is to abolish them and replace them with weaker injunctions, so she is making it harder and not easier for the police to crack down.

We welcome the emphasis on early intervention in the report, but that sits badly with the 20% cuts to Sure Start and well over 20% cuts to the youth service. We welcome the learning of lessons from successful work in places such as Strathclyde, but here is the real problem: the work in Strathclyde alone required an additional £5 million, but she has announced only £10 million for the country as a whole, and the Home Office has already said that that funding is not new. At the same time, she is halving the local community safety budgets, which councils and the police use for gang prevention work right now—£44 million of cuts over the next two years alone, on top of the cuts to community safety funding in the emergency Budget.

Before the election, Haringey, where the riots started, received £2.2 million for community safety, including the action it was taking, with the police, to target gangs. By next year, that figure will be £200,000—a 90% cut in one borough alone. In Liverpool, the youth offending service, which works with gangs and young offenders, is facing more than £2 million of cuts—an overall reduction in its budget of 34%. All that comes on top of 16,000 police officer cuts, nearly 6,000 of which are in the forces that face the biggest problems with gangs.

The Government are cutting too far, too fast, hitting not only the criminal justice system, but our economy, which risks costing us more. Higher unemployment and higher crime will cost us more. Ministers are right to be concerned about gangs and youth crime and to want action, but what does this really add up to on the streets of Lambeth or Liverpool or for the young people of Birmingham or Brent? Given that the Government are pushing up youth unemployment to nearly 1 million, cutting 16,000 police officers, ending ASBOs, slashing youth services and cutting crime prevention, can the Home Secretary put her hand on her heart and tell the House that during this Parliament the youth crime rate will fall, as it did in previous Parliaments?

[Yvette Cooper]

We agree with much of what the Home Secretary said today, but when we look at the reality behind the rhetoric—the reality behind her words—we see the truth, which is that the Government are still making it harder, not easier, for the police and communities to tackle gang violence and cut crime.

Mrs May: We have heard a typical response from the right hon. Lady. I shall start with the statements where she agreed with what we were doing, with the need to do more to draw young people out of gangs and reduce youth violence and with the point that this is not just about the police, but about how the NHS, schools and a variety of other agencies need to be involved. As I said in my statement, that is the basis of this first truly cross-Government report. She mentioned good projects by the police. There are a number of very good projects out there in parts of the Metropolitan police, Greater Manchester, the west midlands, Merseyside and, of course, Strathclyde. Those projects are already starting to make a difference.

Sadly, however, having said that she agreed with a lot of what I said, the right hon. Lady then, as she did in August when we were talking about the riots, chose to be party political. I am sorry that she chose to do that, but I shall address her various points. She said that we should not scrap ASBOs, but what good have ASBOs done, given that, as she said, gang culture has been getting worse? We are getting rid of ASBOs and replacing them with measures that will actually deliver for local communities, deter antisocial behaviour and put communities back in charge. She mentioned funding for Sure Start. That funding is provided through the early intervention grant, but, crucially, we are ensuring that Sure Start is focused on the very families it was set up to help in the first place—the very families that most need our help and support.

The right hon. Lady talked about police cuts. She never misses a chance to demonstrate her fiscal irresponsibility, and I knew that today would not be any different. She attacked cuts in police spending, but she did not say that it was the stated policy of her party to cut police spending. On her comments about police numbers, let me tell the House what she said about gangs and police numbers in August:

"Boots on the streets are not enough to sustain safe communities".—[*Official Report*, 11 August 2011; Vol. 531, c. 1151.]

I wonder why she has changed her mind.

The right hon. Lady also talked about other spending cuts. Let me tell her what Jacqui Smith, the former Labour Home Secretary, said just this morning:

"You need to be much better at measuring the impact of the money we spend as well as simply spending it."

I suggest that the right hon. Lady take a lesson from her. The shadow Home Secretary seems to think that gang problems have been caused by this Government and did not exist under the previous Government, but let me remind her what she said in August:

"I agree that more needs to be done about gang culture, which has been getting worse."—[*Official Report*, 11 August 2011; Vol. 531, c. 1151.]

Yes: getting worse under the Labour Government. Just this morning, Jacqui Smith said that Labour "hadn't done well enough" in tackling gang violence". She has been straight about her record; it is a shame that the shadow Home Secretary cannot bring herself to be straight too.

Robert Halfon (Harlow) (Con): I very much welcome my right hon. Friend's statement. Does she agree that the best way of getting young people off the conveyor belt to crime is to target early years and ensure that young people have access to education and community projects such as the Prince's Trust and the college in my constituency, and organisations such as Catch22? Given that the previous Home Secretary has said that in the past money was not always spent as it should have been, does my right hon. Friend agree that spending money on projects such as those that I have described is the right way forward?

Mrs May: My hon. Friend is absolutely right that early years intervention is key, and it is part of the work to prevent young people from getting involved in gangs in the first place. Early intervention might be needed at a very early age indeed, with toddlers, to ensure that they do not go down that road. That is why it is so important to ensure that money is spent in the right way, on projects that will make a difference and really work.

Keith Vaz (Leicester East) (Lab): I welcome the Home Secretary's proposals and the appointment of Louise Casey to head the new unit. The right hon. Lady will have noted the evidence of Bill Bratton, one of the guests at her international conference and round table, who said:

"You can't arrest your way out"

of gang problems. Early intervention has been a theme of the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) and my hon. Friend the Member for Nottingham North (Mr Allen) for a number of years. What worries me is who will co-ordinate the various initiatives. A number of Departments are involved and monitoring will be crucial, so will it be her, as Home Secretary, or another Department?

Mrs May: I thank the right hon. Gentleman. I pay tribute to Louise Casey for the work that I know she will do and to my right hon. Friend the Secretary of State for Communities and Local Government, who has appointed her to the troubled families unit, as part of his Department's work. Let me also record our thanks to Bill Bratton, whom the right hon. Gentleman mentioned. He came over and visited a number of projects in the UK, participating in our round table and international forum on gang and youth violence. Crucially, he also gave hope from the projects that he had seen that it is possible for the UK to turn the problem around. The right hon. Gentleman is right to focus on monitoring, and, as I said, this is the start of the process. The inter-ministerial group that I chaired alongside my right hon. Friend the Secretary of State for Work and Pensions will continue and will oversee the work currently being undertaken.

Nick de Bois (Enfield North) (Con): The Home Secretary will be aware of the problems with gangs and knife crime that my constituency faces. My constituents will warmly welcome her announcement, but does she envisage a role for volunteer organisations, which already do a lot of work, in delivering the strategy on the front line?

Mrs May: Yes, I can absolutely reassure my hon. Friend that I see a significant role for voluntary organisations. The Secretary of State for Work and Pensions and I attended a round table set up by the Centre for Social Justice, at which we met people from a number of voluntary groups, including some ex-gang members who are doing excellent work. Indeed, it is often voluntary groups that can make a difference to young people involved in gang membership, or to those about to get involved, and that can turn them around.

Hazel Blears (Salford and Eccles) (Lab): The Home Secretary might be interested to know that at 5 o'clock this morning 24 people across Salford and Manchester were arrested in connection with incidents during the disturbances in the summer. Much of the evidence was gathered using CCTV and DNA, a message that I am sure the right hon. Lady will take away. The family intervention projects will be essential to ensuring that our young people do not follow that path. Will she assure me that some funds from the Home Office and the family intervention projects will be targeted on Salford, to ensure that we keep our young people away from these problems in future?

Mrs May: I was aware of the work being done by Greater Manchester police, who have been doing excellent work following the riots, as have a number of other forces across the country. It is absolutely the case that, among the variety of amounts of money that are going to be made available for various aspects of this scheme, some will be focused on the Greater Manchester area. We will identify 30 areas for which £10 million from the Home Office will be available next year, and we are working with the Association of Chief Police Officers, which is mapping the gangs at the moment, to identify those areas. We have already identified Greater Manchester as one of the three areas—alongside the west midlands and London—into which specific Home Office funding is going in for the guns, gangs and knives project.

Tom Brake (Carshalton and Wallington) (LD): I welcome the analysis that underlines the fact that parental neglect, violence at home, truancy and exclusion are factors that can lead to gang membership. I also welcome the five areas on which the Government are focusing, especially pathways out. On that point, what support can the Government provide for suitable role models and mentors who can steer young people away from gangs and towards a more positive future?

Mrs May: My right hon. Friend makes an interesting point. One aspect of the way in which we intend to operate involves ensuring that people are able to identify at local level what will work in their area. In looking at various projects, I have seen that the people who are the most effective in persuading others to leave gangs are often former gang members. They have been through it, they know that a different life is possible, and they can give others the benefit of their personal experience. I have seen that happening in a number of areas, and I believe that a number of local areas will want to follow up on that aspect.

Glenda Jackson (Hampstead and Kilburn) (Lab): My constituency is served by two boroughs: Brent and Camden. In both, the funding for the safer communities and youth offending teams has been slashed. In Brent, it has been slashed by almost 18%, and in Camden by more than 27%. I agree with the Home Secretary that we can tackle gangs only through a multi-agency approach, but every other agency to which she referred in her statement is suffering from similar cuts, so how can that intensive support to which she referred be delivered?

Mrs May: One of the points that the hon. Lady is missing is that, sadly, over the years, significant sums have been spent on projects that are not as effective as they should be. There are families out there on whom hundreds of thousands of pounds are being spent by various Government agencies, often not working together, and this is not effective. The problems still persist. The work that has been done in Waltham Forest, however, shows that if we bring together agencies such as the police, the local authority and others to tackle gang violence, yes, we spend money on those individuals, but we end up saving money by turning their lives around. Often, the effective intervention is not the expensive intervention.

Paul Maynard (Blackpool North and Cleveleys) (Con): I welcome the Home Secretary's statement, but a short prison sentence of two months for youths convicted of knife crime does not offer the opportunity for complete rehabilitation. Does she agree, however, that it might offer a vital opportunity to diagnose previously hidden conditions such as communication delay, which could be a key factor in people entering pathways to crime?

Mrs May: I commend my hon. Friend's work on this issue. I know that he takes it very seriously, and that he has looked into the impact of communication delay on young people. In relation to sentencing, it is important to send a clear message about the importance that we attach to doing something to reduce and stop knife crime. We also need to look at the interventions that take place when young people are undertaking custodial sentences, to ensure that we can rehabilitate them and take the opportunity to turn their lives around.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Youth unemployment in my constituency is higher than it has ever been, and this is directly caused by Government cuts—*[Interruption.]* It is directly caused by Government cuts. Educational opportunities have been blighted by the abolition of education maintenance allowance, and a youth club in my constituency is in jeopardy because of Government cuts. What option is the Home Secretary going to provide for young people in my constituency apart from the streets? Will she provide direct funding for organisations such as Reclaim and Trinity House in my constituency, which combat the effects that this Government have created?

Mrs May: As I have said, specific funding will be available, which will be targeted at projects in those areas of the highest violence and those areas with the most significant problems. We are working with the Association of Chief Police Officers to identify those areas. I also say to the right hon. Gentleman that he really should not try to rewrite history: youth unemployment was going up for six years under the last Labour Government.

Paul Uppal (Wolverhampton South West) (Con): To view this issue from a purely financial perspective is prosaic. From my experience, one reason why many

[Paul Uppal]

young people join gangs is that they are seeking a surrogate or substitute family. This is particularly the case among young men who are often looking for a positive male role model. I welcome my right hon. Friend's initial response on role models. Will she elaborate on how positive male role models could play a role in this issue?

Mrs May: My hon. Friend has identified a very important issue. As I said earlier, it is absolutely the case that, sadly, all the Opposition only ever want to talk about is the amount of money being spent rather than about how it is being spent and how we can act intelligently to make a real difference. Ensuring that there are positive role models—particularly male role models—available to young people in these gangs is an important part of that. My hon. Friend is also right that, sadly, for too many young people involved in these gangs, the gang effectively substitutes for a family. When I met a former gang member, I was struck when he told me that when he was out in the streets with the gang, his mother was lying at home dead-drunk.

Dr William McCrea (South Antrim) (DUP): The Home Secretary states that agencies must work together to focus on the early intervention in the foundation years. What responsibility does she feel the family has in that area of intervention and how do we harness family and parental responsibility?

Mrs May: The hon. Gentleman has made an important point. In helping a young person either to come out of gang membership or to prevent him from getting involved in the first place, it is often important to look not just at that individual but at the whole family. As I indicated in my answer to my hon. Friend the Member for Wolverhampton South West (Paul Uppal), the problems sometimes lie in the family, and it is that family background that is a significant cause of what is happening to the young person. Work that is being done—for example, early intervention work by health visitors, family nurse partnerships and so forth—is important in providing essential support within a family.

Mr Mark Spencer (Sherwood) (Con): I wonder whether the Home Secretary would recognise that there is a significant role for local authorities and housing associations in taking firm action against families that commit criminal activity or antisocial behaviour. Moving those families on by evicting them not only gives the community around them a respite but gives the family a chance for a fresh start somewhere else.

Mrs May: That is absolutely right. In fact, moving families on can help in two ways. One is where the family are creating particular problems on an estate or in an area, and the housing association or local council can take action that can relieve the rest of the community. Another is in circumstances where in order to get a potential gang member away from the area in which the gang is involved it is necessary to move that gang member and the family. There can be a positive move as well as a negative one, so to speak.

Jeremy Corbyn (Islington North) (Lab): Everybody abhors gang violence and the cultures that go with it, but does the Home Secretary recognise that some young people are attracted by a perverse sense of glamour towards gangs as an escape from overcrowded housing or as an escape from the lack of job opportunities or youth facilities? Because they cannot develop themselves in those ways, they see a gang as something worth looking at. Should we not instead invest in jobs, housing and communities as much as in all the other palliative measures that the Home Secretary has suggested?

Mrs May: A great many young people live in difficult circumstances but do not turn to gangs. Of course it is important for us to look at gang membership and youth violence in the round rather than arresting our way out of the problem, because it is not possible for us to arrest our way out of it. As I said earlier, young people coming out of prison who claim jobseeker's allowance will go straight on to the Work programme. We must make a real effort to deal with problems such as unemployment, and to help those young people to find a different route through life.

Patrick Mercer (Newark) (Con): I am sure that the Home Secretary was as impressed as I was by the work of Nottinghamshire constabulary, many of whose central Nottingham stations came under sustained and potentially lethal attack by petrol bombers during August. I accept that prevention is better than cure, and I note the Home Secretary's strictures about knives and firearms, but what is being done, and what will she do, about the carrying and preparation of petrol bombs?

Mrs May: My hon. Friend has raised an important issue. We have not addressed it in the review, but I shall be happy to consider it. I pay tribute to the work done by Nottinghamshire police in defending both people and premises. As he says, they came under significant and sustained attack during what was a very difficult time.

Fiona Mactaggart (Slough) (Lab): It is the judgment of Slough's local police commander, Richard Humphrey, that the reason there was not more serious violence in the town that I represent, despite the risks posed by such factors as gang membership, was the contribution of Aik Saath and other youth organisations. What help is the Home Secretary offering youth organisations that can prevent problems of this kind?

Mrs May: As I have said, specific help will be provided in some parts of the country. Funds will be made available for projects that help young people to turn their lives around, and we will concentrate on the areas where the most significant problems exist.

Mr Rob Wilson (Reading East) (Con): I welcomed the statement, although I am not sure whether it was necessary for all five of the areas that my right hon. Friend mentioned to begin with a P. As she knows, many gangs carry knives. What preventive measures are being taken to prevent young people from carrying knives in the first place?

Mrs May: The Home Office was very pleased when Brooke Kinsella did an important piece of work for us last year, which resulted in a report that was published earlier this year. It concerned projects around the country that involve working with young people to deter them from carrying knives. The Ben Kinsella fund, which is being administered through the Prince's Trust, has received

funds from the Home Office to support such projects. Meanwhile, the Department for Education will be considering what materials can be made available to schools to help them get the message across to young people about the problems and dangers of knives.

Pete Wishart (Perth and North Perthshire) (SNP): Has the Home Secretary taken a good, close look at the efforts of Strathclyde police to tackle gang violence? Does she believe that they have been successful? Unlike her Government, the Government of the Scottish National party have increased the number of police on the streets of Scotland by 1,000. Will she also take a look at today's proposal by the Scottish Government to introduce minimum alcohol prices, which will deal with the alcohol problems that fuel so much youth violence?

Mrs May: I am aware of the alcohol-related problems in Scotland that have led the Scottish Government to introduce their minimum pricing policy. I have spoken to Strathclyde police, and my right hon. Friend the Secretary of State for Work and Pensions has also done so on a number of occasions. When representatives including Karyn McCluskey made a presentation to our inter-ministerial group, they made it very clear that although effective policing was necessary, it was not just a question of policing, but also a question of working with others. When I was in the area I was able to talk to some former gang members, and also to a gang member who is trying to leave the gang. They too made it clear that while policing is part of the process, it is not the only element. Working with other agencies is what really makes the difference.

Gareth Johnson (Dartford) (Con): Does the Home Secretary agree that tackling gang behaviour in prisons is vital if we are to tackle such behaviour, including violence, when those people are eventually released on to the streets?

Mrs May: Yes, and one of the things we will be doing is looking at the support that is available for young people in young offenders institutions. The Metropolitan police are already doing work at Feltham to ensure both that there is no gang violence in the institution and that gang members are helped and given the support they need to leave the gangs.

John Cryer (Leyton and Wanstead) (Lab): I was pleased to hear the Home Secretary mention the London borough of Waltham Forest. It has a pioneering anti-gang strategy that has used resources properly, as I am sure will be confirmed by the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith). However—the right hon. Lady can probably guess what's coming next—many of the budgets that feed into that strategy are facing the squeeze. The Home Secretary talks about resources that she hopes will be available in the future, but we must have access to them fairly quickly. How might that be done in the near future?

Mrs May: Sources of funding are available, such as the innovation fund, for which authorities can bid, and which will have a specific role in making funding available for gang-related projects. The chief executive of Waltham Forest and local Metropolitan police representatives came to speak to the inter-ministerial group, and they made the point that the amount of money they were spending effectively on families was often lower than the amount that Government collectively might have been spending on them in the past. There is therefore a significant reduction in the amount of money that needs to be spent to deal with this issue.

Richard Graham (Gloucester) (Con): The Home Secretary is right to highlight the benefits of partnership-working. Last week, I visited the newly formed Quedgeley youth centre, which replaces the local authority's former Echoes youth club. It has been created by an innovative partnership led by local Conservative councillors and financed by Prospect Training Services, other businesses and the Quedgeley Community Trust. Early indications are that the new youth centre is proving even more popular with the young, and that it will be very successful. Will my right hon. Friend join me in congratulating all those involved in this local initiative, which shows the benefit of partnership-working, at zero cost to the taxpayer?

Mrs May: I am very happy to welcome the opening of the Quedgeley centre, and I am sure from what my hon. Friend has said that it will do excellent work locally in helping young people and providing the support they need. He also makes the valid and interesting point that dealing with these issues is not all about Government spending money—sadly, a message that Opposition Members seem to have failed to understand.

Clive Efford (Eltham) (Lab): The Government have cut 60% from community safety budgets, including £10 million from London alone. Will the right hon. Lady clarify the position in respect of the £10 million she has announced today? Is it the same £10 million she announced back in February for early intervention? If it is, will she undertake to write to Members to explain what has been cut today as a result of her announcement?

Mrs May: I can confirm that we were making a further £10 million available next year for the early intervention fund. We will be ensuring that that money is specifically spent on projects related to gang and youth violence projects. [HON. MEMBERS: "Ah."] Well, Opposition Members say "Ah," but—*[Interruption.]* I have never been able to imitate the hon. Member for Rhondda (Chris Bryant), so I shall not attempt to do so. I simply make the point I made earlier to my hon. Friend the Member for Bedford (Richard Fuller): we are talking about a new approach, and about working across the whole of government—*[Interruption.]* Opposition Members are making the mistake of thinking that the only thing that matters is the amount of money that is available to spend, when what matters is how we spend it—a lesson that, sadly, the Opposition failed to learn during 13 years in Government. That is why they wasted so much taxpayers' money and we are now paying the price.

Bob Stewart (Beckenham) (Con): When I watched the police videos of what happened in Beckenham and Bromley, I was aghast to see families arriving in cars and then getting out and going on organised looting trips, and those family members were not the usual suspects. Is there anything we can do to stop this opportunist thievery?

Mrs May: My hon. Friend makes the point that we did see some opportunist criminal activity during the

[Mrs May]

riots, but I remind him that just under three quarters of the people involved in the riots who have been identified so far had a previous criminal record of some sort and that 25% had 10 or more criminal offences on their record. So what we saw was sheer criminality on our streets.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): Crime in my borough of Hackney is at its lowest for 12 years and Hackney's integrated gangs intervention unit has seen a drop in gang violence of 59% in the 18 months that it has existed. I hope that the Home Secretary will place in the Library the details of where the £10 million will be allocated and that she will seriously examine the issue of gang injunctions. My local police and the integrated gangs intervention unit say that there are real challenges in getting gang injunctions to stick. They and I plead with the Home Secretary to re-examine antisocial behaviour orders and keep them until she is sure that gang injunctions work. Will she tell the House how many gang injunctions have been issued to date?

Mrs May: The hon. Lady raised a number of issues. The amount of money made available to Hackney from the early intervention grant allocation in the current financial year was, of course, about £20 million. We will be identifying the areas that the Home Office funding will be going to. As I said in response to the right hon. Member for Salford and Eccles (Hazel Blears), we have also already put money into Greater Manchester, the west midlands and London—the three areas where most knife crimes are committed—in looking to work with projects to tackle those knife crimes. So that funding has been available.

Only a small number of adult gang injunctions have been introduced so far. As the hon. Lady will know, the injunctions were introduced only earlier this year, but their use is increasing. I am aware that there were some issues in the early days in relation to their implementation, but we are getting through those teething problems and the gang injunctions have been used in areas where they have been effective.

Kris Hopkins (Keighley) (Con): I welcome the Home Secretary's statement. Yesterday, two gang members from my constituency were found guilty and sentenced, one to an indefinite term for firing a double-barrelled shotgun in a drive-by shooting. Does she agree that violent criminals must be given the most serious sentences to stop them bringing fear and destruction to our towns, and that this Government will relentlessly pursue these individuals?

Mrs May: We will absolutely do that. I assure my hon. Friend that we are ensuring that tough sentences for the worst of our criminals are indeed available, and I commend his local police on having made those arrests.

Several hon. Members *rose—*

Mr Speaker: Order. In seeking to accommodate more colleagues, notwithstanding the pressures of time, I do appeal now for extreme brevity in questions and answers alike.

Heidi Alexander (Lewisham East) (Lab): The Home Secretary has said that she has reallocated £10 million-worth of early intervention money to focus on gangs and serious youth violence. However, her Government will spend five times that sum on the elections for police and crime commissioners. I say to the Home Secretary: why not take that £50 million and put it instead into the local projects that are already saving lives and of which she has already spoken so highly?

Mrs May: The hon. Lady seems to have failed to notice that this Act has actually passed and the police and crime commissioners will be introduced. They will be carrying out a very important task—that of being a directly elected local voice for local communities to determine policing in their area.

Bob Blackman (Harrow East) (Con): I welcome today's statement and commend the work of the Met police in combating gang cultures across London. That work is very expensive. It is also time-consuming and takes many years to come to fruition, and once the police do it and break the gang, a vacuum is created into which another gang can move. What actions can be taken to prevent new gangs from being formed where an old gang has been eliminated?

Mrs May: This is why we are absolutely clear that this is merely the start of a process and that what we are doing is putting in place sustainable, long-term work. It is necessary not just to bring certain individuals out of gang membership, but, sadly, to ensure that we prevent other young people from becoming part of new gangs that would replace those existing gangs. That is why preventing people from getting into gang membership in the first place is a key element of what we want to do.

Tony Lloyd (Manchester Central) (Lab): The Home Secretary will know that the success in Greater Manchester in reducing gun crime has been through this type of multi-agency working, so what she describes is the application of common sense. However, resources do matter because many of the agencies involved are under financial pressure. Will she introduce an independent element of monitoring to ensure that we can see that the issue of money will not stop the effectiveness of these programmes?

Mrs May: I commend the work of Greater Manchester police, which has done excellent work in its Excalibur project. As the hon. Gentleman says, cross-agency working has made a very real difference to what it has been doing. I come back to the point that has been raised by many Opposition Members about funding and money. The issue is about how we spend the money that is available and about making sure that it is targeted on the right people and on interventions that are going to be effective. Over the years, Governments have spent so much money on dysfunctional families and on individuals who are gang members, but often to no effect. We must change that.

Graham Evans (Weaver Vale) (Con): Does the Home Secretary agree with the comments of Jacqui Smith this morning that Labour had not done well enough on tackling gang crime?

Mrs May: I am grateful to my hon. Friend for reminding us what the former Home Secretary said this morning. Her comments are in stark contrast to those from Opposition Front Benchers today, showing real recognition that there was more to be done and that Labour did not have all the answers, as well as, I am sure, supporting the work we are doing.

Ann Coffey (Stockport) (Lab): The response of local safeguarding children boards to the recent investigation by the Child Exploitation and Online Protection Centre into the extent of child sexual exploitation has been very disappointing. Will the Home Secretary ensure that directors of social services who have a statutory responsibility for child protection respond to any request for evidence regarding children who are vulnerable to gang-related violence in the preparation of her cross-departmental report?

Mrs May: The hon. Lady raises a very important point. The issue of child sexual exploitation is also being looked at by the Children's Commissioner, who has undertaken research in this area. It is right that we should get the right response when an individual has been identified as being vulnerable and I shall certainly draw the hon. Lady's comments to the attention of my right hon. Friend the Secretary of State for Communities and Local Government.

Gavin Barwell (Croydon Central) (Con): I warmly welcome my right hon. Friend's comprehensive statement. Communities such as mine will welcome her honesty in accepting that Governments of both persuasions have not done enough to tackle this problem in the past. May I press her on one point? Is it not the case that the police and Government agencies on their own are not going to solve this problem and that working with the communities who are affected and getting them to turn against gang members within their community is a key element?

Mrs May: My hon. Friend makes a very important point. This is an area in which the Government do not have all the answers and cannot achieve the necessary results by working on their own. As I indicated in response to an earlier question, what is often going to be most effective at helping young people to come out of gang membership or at preventing them from getting into a gang in the first place is groups in the voluntary sector and operations such as Kickz through which the Premier League and the Football Foundation are working to provide alternative activities for young men on a Friday or Saturday night.

Sheila Gilmore (Edinburgh East) (Lab): The Home Secretary has praised the Strathclyde project greatly. That project cost about £5 million over two years, so how can £10 million being spread over 30 areas get anywhere near the success of the Strathclyde project?

Mrs May: I have commented favourably on the Strathclyde project but it is not the only project that is working across the UK. The Matrix project in Merseyside, the Excalibur project in Greater Manchester, and the work of the Met in certain parts of London have also been effective, and in Birmingham, the West Midlands police are also doing very good work in this area. I come back to a point that I have made on a number of occasions in response to questions from Opposition Members—this is about ensuring that money is spent in a way that will be effective. Sadly, in nearly an hour of questions, no Opposition Member has sought fit to recognise that the cuts in spending taking place across the public sector are because of the financial deficit left by the previous Government.

James Morris (Halesowen and Rowley Regis) (Con): May I welcome the cross-government approach to solving this problem? Does the Home Secretary agree that the most important thing in relation to resources is that they are genuinely devolved to the local areas and communities that are best placed to tackle difficult underlying problems?

Mrs May: We are taking a different approach. It is important to recognise that there is no one-size-fits-all model that can be imposed on every local area. Local areas will need to come to an understanding of what is going to work in their particular communities. That is why it is important that responsibility is devolved and that funding is available at the local level. It is also why the ending gang and youth violence team that we will be setting up will be available at a local level to work with the agencies to ensure that they are getting the answers that are going to work.

Joan Ruddock (Lewisham, Deptford) (Lab): I can assure the Home Secretary that money spent by Lewisham council and the police has been very effective, but since the right hon. Lady has been in power cuts to the community safety and youth offending team budgets have been of the order of 20% and the number of victims of knife crime has risen by almost 40%. Does she honestly believe that those two things are not connected?

Mrs May: Many issues affect the level of knife crime in a particular area. I am announcing today a cross-government strategy that is going to make a real difference to gang membership and youth violence, which, sadly, blights too many communities.

Jake Berry (Rossendale and Darwen) (Con): I have seen personally the wraparound support provided by voluntary mentoring in my constituency, especially by the Lighthouse Foundation supported by the Methodist Church. Will my right hon. Friend update the House on what role voluntary mentoring can and will play in tackling gang violence and family breakdown?

Mrs May: Voluntary mentoring of individuals can have an incredibly important role to play in tackling both gang membership and youth violence. There are many projects out there in which voluntary and charitable groups provide necessary support to families that helps them to bring up their children in a way that prevents them from going down the route of gang violence. I commend the project that my hon. Friend mentions. I am sure that it is doing excellent work in his constituency, as it does elsewhere in the country.

Richard Burden (Birmingham, Northfield) (Lab): The Home Secretary has on several occasions emphasised the importance of partnership working between the statutory agencies and the voluntary sector, not only to divert young people from joining gangs—I hope that we

[Richard Burden]

do not see all young people as a potential problem—but to bring out the talents that they have inside them. Even if the right hon. Lady does not like what Opposition Members are saying about resources, does she accept that youth workers and voluntary groups are also saying that the resources are not enough? What assurances can she give them, if not us, that she is listening to them?

Mrs May: Of course the vast majority of young people are not involved in gang membership and violence. We should recognise that all too often the only stories that people read about young people are bad stories, not good ones. The House should perhaps do more to recognise that the vast majority of young people do not get involved in this sort of activity.

I have seen across the country that what makes a difference is how you spend the money that is available, targeting those who are most in need, and targeting money effectively. Sadly, over the years money has been spent that has not led to a change. We want to change young people's lives.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): We did not witness riots in Newcastle over the summer thanks in large part to significant investment and partnership work supporting engagement with young people in the city. Does the Home Secretary share any concern that cutting 544 police officers, 185 community support officers and 60% of community safety funding has the potential to undermine that good work?

Mrs May: I think I have answered the point about resources several times now.

Steve McCabe (Birmingham, Selly Oak) (Lab): The Met has said that gang association is one of the most difficult things to prove evidentially. How will the Home Secretary be confident that those who benefit from all the incentives that she is offering people to give up gang membership are genuinely gang members and not just the dispossessed who have had all other avenues closed down and have to claim to be gang members to get some help?

Mrs May: As I said, we are working with ACPO in particular to map incidence of gangs and gang memberships. Obviously at local level that will rely on information that is available to the police and other agencies. We are focusing not just on gang membership but on gang and youth violence. So in some areas work will be undertaken on a broader remit than simply looking at gang members.

Kate Green (Stretford and Urmston) (Lab): The Home Secretary has rightly emphasised the importance of community leadership in tackling and addressing gang violence. She will of course be aware that there is a risk that the community can become alienated if public agencies get the relationship wrong. How will she ensure that the good will of communities, which is so essential to the success of her proposals, is secured and monitored?

Mrs May: That is where setting up the ending gang and youth violence team—people who can give help, support and advice at local level about putting projects in place and what will work in the area, and making sure that the relationships are right—will be so important.

Huw Irranca-Davies (Ogmore) (Lab): The point has been rightly made already that, on their own, police boots on the ground are not the solution to gang and youth violence; there has to be a much more joined-up approach. Does the Home Secretary share any of the concern about the loss of something like 1,900 police from the Metropolitan area? Will it have no impact whatever on the strategy that she has outlined today?

Mrs May: As I have said in the House on many occasions about the cuts in police spending that are taking place, we know from evidence from Her Majesty's inspectorate of constabulary and from other factors that it is possible to make cuts in police spending while maintaining front-line services.

Ms Karen Buck (Westminster North) (Lab): The single most important thing that we can do is to create sustained trusting relationships between young people at risk of gang violence and responsible adults, whether volunteers in voluntary youth organisations or workers in statutory youth organisations. May I make a plea to the Home Secretary that we break with recent tradition and do not just make interventions that last 12, 20 or 30 weeks, which disrupt those relationships and often cause more damage than they prevent, but make sure that the interventions are there for years—for the duration? That is the way in which we shall disrupt the dysfunctional relationships of the street, and sometimes in families, that have led to the crisis.

Mrs May: I have made it clear that what I am talking about today is the start of a process; it is important that it is sustained over the long term, because as the hon. Lady says, that is the way we shall make a real difference to people's lives.

Points of Order

4.32 pm

Paul Goggins (Wythenshawe and Sale East) (Lab): On a point of order, Mr Speaker. I seek your advice about the reduction in the time that will now be available for debate on the first group of amendments to the Legal Aid, Sentencing and Punishment of Offenders Bill. When we voted on the programme motion yesterday, we did not know that there was to be an important statement from the Home Secretary about gangs and youth violence. The consequence of the statement is that a wholly inadequate two and a quarter hours for debate will now be little more than one hour, barely time for the Front-Bench spokespeople to exchange views. Could you give us advice, Mr Speaker? These are controversial amendments, which deal with the sentencing of the most dangerous people in our community, yet they have been introduced not at 5 minutes to midnight but at 1 minute to midnight, with no debate on Second Reading or in Committee. Is there any way that we can reclaim that time, Mr Speaker, and will you make it clear to Ministers that you will not put up with this abuse of the parliamentary process?

Mr Speaker: I am grateful to the right hon. Gentleman for giving me advance notice of his point of order. I fully understand the frustration expressed about the short time now available for discussing the first group of new clauses on longer sentences. The right hon. Gentleman will know that on the one hand it is in effect up to Ministers when to make statements to the House and that on the other hand I am bound by the terms of the programme motion agreed yesterday by the House. I can only advise him to make his point to the Procedure Committee whose Chairman is lurking, doubtless with intent, at the back of the Chamber, and has now progressed into the main body of the Kirk, for which we are grateful. Others will no doubt also have heard the right hon. Gentleman's point.

Because this is an immensely serious matter, I would in addition appeal for extreme brevity from the Front Benches—a brevity that we did not witness yesterday—in the debates today, and from Back-Bench colleagues, so that matters of great importance to those outside the House can be properly considered.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): On a point of order, Mr Speaker. Since August I have been in contact with the Home Office about the timing of today's statement and talking about a cross-party meeting. Last Wednesday I asked the Prime Minister when the gangs report would be published and he said, "When it's ready." Yesterday I got an answer to a named-day question which said it would be published soon, yet on Sunday night on *The Guardian* website it was announced that it would be presented to the House today, and in today's papers the detail was revealed. I ask your views on this and wonder whether it may be time for the House to throw in the towel and look first to *The Guardian* website for information about what the Government are doing, rather than expect the courtesy of the House being informed first.

Mr Speaker: I reiterate what I have said before, which is that Ministers should make key statements to the House first. I would never advise any Member to throw in the towel, as the hon. Lady puts it. There is significant evidence of important statements starting to be made first in the House. Ministers know that when that does not happen, there is a strong possibility of an urgent question application being granted. That did not use to happen; it now happens on a substantial scale, but I think it would be fair to say that achieving progress in these matters is not a matter of an isolated act, but rather of a continuous process. The point of order demonstrates that this is very much work in progress. We have no reason to be complacent. That point is addressed not least, as it has to be, to those on the Treasury Bench.

Education and Training (Young People with Autism)

Motion for leave to bring in a Bill (Standing Order No. 23)

4.36 pm

Mr Lee Scott (Ilford North) (Con): I beg to move,

That leave be given to bring in a Bill to require the Secretary of State to make provision for the education and training of young people with autism and Asperger's syndrome; to ensure that work opportunities are provided for those young people; and for connected purposes.

One of the biggest worries for parents who have children with autism, Asperger's or any other special needs is what will happen when they are no longer here. Will the young person, when they become an adult, be able to look after themselves? Will they have gainful employment? I pay tribute both to my own Government and to the previous Government for the work that has been done to try to make headway on employment for young people suffering with autism, Asperger's and any other special needs.

According to the National Autistic Society,

"There are more than 350,000 working age adults with autism in the UK. NAS research has found that, whilst many people with autism want to work, just 15% of adults with autism are in full-time paid employment and 9% are in part-time employment."

Research shows that 79% of people with autism on incapacity benefit want to work, but need some support to get into work and retain employment. One in three people with autism is without any financial support from employment or through the benefits system, with many reliant on their families for such support. In a study carried out by Research Autism in 2008 for NAS Prospects London on the experiences of employing people with autism, seven in 10 employers questioned had had a very positive experience of employing people with autism, Asperger's or other related conditions, and said that they would recommend it to others.

BBC Radio York contacted me this morning about the parent of a young son with autism. The parent filled out an application form for a job and filled out another for the son. The application form requested that a box be ticked if the applicant had a disability: the form indicating no disability got the applicant an interview, whereas the applicant whose form indicated there was a disability did not. Whatever the employment climate is, and however difficult things are, people with autism are not getting a fair chance.

I want to praise an organisation called Kisharon, which runs a printers and a bicycle repair shop staffed solely by young people with autism, Asperger's or other special needs. Together with a group called Interface, which is one of my local groups serving young people with autism, Asperger's or any special needs, and the London borough of Redbridge, with private backing—I am sure the Treasury will be pleased to hear that, as there will be no financial impact on the Treasury—they are looking at how we take matters forward.

I have had meetings with leading companies where we plan to run a pilot scheme that will allow them to employ young people and for the young people to have training through local authorities so that they can achieve what they deserve—the best possible future. Obviously, I am not a professional and could not decide who would be suitable for what role.

I came into contact with one young man who found it difficult to interact in the workplace. An employer took this young man on, although there were difficulties. There were days when perhaps the young man took offence or had a problem with things that others may not have, but that firm took that into account and worked with that young man and he has now been there for some three years and is a valued employee. For obvious reasons, I do not intend naming him.

I also want to consider how this scheme can be rolled out. At the outset, these young people need to be assessed. We need to know what skills they have. We know only too well that many young people with autism or Asperger's syndrome are brilliant with computers and IT, but may not have great communication skills in the workplace. There is no reason why they cannot work from a satellite centre or from home.

The scheme must be overseen, because people have to be put forward as mentors in companies to work with young people and make sure that it works out. I hope to work with my Government and with charities such as the National Autistic Society, Kisharon, Interface and many others to take this forward and to run a pilot to get young people into employment and achieving as much as possible.

I return to the point about where such people might live. Many parents are concerned about what will happen to their child when they are no longer around. I have visited many small houses where four or five young people live with a housekeeper but look after themselves and go out to employment and to courses. That is the way forward for people in this group. We then need to analyse the programme's outcomes over the years. I know from my conversations with the National Autistic Society and others that they want to see it rolled out throughout the country, so that the young man in York can find employment just as easily as the young man living in Ilford North or Redbridge.

Lord Freud has taken this matter forward in the other place and is meeting businesses, and I look forward to working with him on this. If we do not take this forward and get involved in helping, we will truly be letting down some of the most vulnerable people in our society. We all have concerns about youth unemployment. We heard them during the statement on gang crime and we have heard them in various debates, but I do not believe that anyone is happy with the present situation. I know that my Government want to take action on this. Words from me are not enough and I sincerely hope that I will receive the backing of every Member in the House today and can then return in a year's time and say that this is working for the young people who have autism, Asperger's and other special needs. I hope that I will be able to work with everyone in the House to achieve it and show that it is a success.

Question put and agreed to.

Ordered,

That Mr Lee Scott, Jon Cruddas, Dr Sarah Wollaston, Mike Gapes, Mr Brian Binley, John Cryer, Simon Kirby, Mr John Leech, Robert Halfon, Paul Maynard, Dr Julian Huppert and Mr. Robert Buckland present the Bill.

Mr Lee Scott accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 20 January 2012, and to be printed (Bill 242).

Mr Speaker: Before we come to the main business of the day—the Legal Aid, Sentencing and Punishment of Offenders Bill—we have a point of order.

Karl Turner (Kingston upon Hull East) (Lab): On a point of order, Mr Speaker. May I have some guidance on whether it is appropriate for the Under-Secretary of State for Justice, the hon. Member for Huntingdon (Mr Djanogly), to speak for the Government on this part of the Bill, given the media interest from *The Daily Telegraph* and *The Guardian* in his business interests in the insurance industry? I know that the Government have had a problem with this because they took part of his responsibilities from him on 17 October.

Mr Speaker: The short answer to the hon. Gentleman is that it is for Members to take responsibility for their own interests and, as necessary, if they think it appropriate, seek advice from the Registrar, and there is of course an obligation upon Ministers, of which the Minister will be well aware, to comply with the ministerial code, but beyond that no special comment needs to be made on the matter. It is perfectly proper for the Government to decide which Minister should take the proceedings on the Floor of the House.

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): Further to that point of order, Mr Speaker. Given that my financial interests have today once again been regurgitated by the hon. Member for Kingston upon Hull East (Karl Turner), and given that they formed the subject of a complaint by his colleague the hon. Member for Bassetlaw (John Mann), I think it is wrong of him, almost to the point of being misleading, not to mention that the Cabinet Secretary found, and informed his hon. Friend of the fact, that I had declared my relevant interests, had not acted in conflict of interest and had acted in the public interest. Will the hon. Gentleman now acknowledge that?

Mr Speaker: The Minister has put the position, including new evidence, very clearly on the record. However, points of order cannot be the occasion for a debate, which would be wrong. The Minister has clarified the position, Members will have heard it—

Mr Graham Stuart (Beverley and Holderness) (Con): Apologise now.

Mr Speaker: Order. The Chair of the Select Committee, the hon. Member for Beverley and Holderness (Mr Stuart), has important responsibilities in the House. I do not want him at this early hour to get overexcited; that usually happens later in the day, not yet. Let us proceed in a seemly manner with the help of the Chair of the Select Committee.

Legal Aid, Sentencing and Punishment of Offenders Bill

[2ND ALLOCATED DAY]

[Relevant Documents: The Third Report from the Justice Committee, on the Government's proposed reform of legal aid, HC 681, and the Government's response thereto, Cm 8111.]

Further consideration of Bill, as amended in the Public Bill Committee

New Clause 30

ABOLITION OF CERTAIN SENTENCES FOR DANGEROUS OFFENDERS

'In Chapter 5 of Part 12 of the Criminal Justice Act 2003 (sentencing: dangerous offenders) omit—

(a) section 225(3) to (4) (imprisonment for public protection for serious offences),

(b) section 226(3) to (4) (detention for public protection for serious offences),

(c) section 227 (extended sentence for certain violent or sexual offences: persons 18 or over), and

(d) section 228 (extended sentence for certain violent or sexual offences: persons under 18).'.—*(Mr Kenneth Clarke.)*

Brought up, and read the First time.

4.47 pm

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following:

Government new clause 31—*Life sentence for second listed offence.*

Government new clause 32—*New extended sentences.*

Government new clause 33—*New extended sentences: release on licence etc.*

Government new clause 34—*Power to change test for release on licence of certain prisoners.*

New clause 3—*Determination of minimum term in relation to mandatory life sentence—*

'In Schedule 21 of the Criminal Justice Act 2003—

"(a) Substitute paragraph 5(2)(g) with—

"(g) a murder that is racially or religiously aggravated or aggravated by sexual orientation or disability,"

(b) Substitute paragraph 5A(10)(b) with—

"(b) the fact that the victim was at greater risk of harm because of age or disability,".'.

Government new schedule 4—*'Life sentence for second listed offence etc: new Schedule 15B to Criminal Justice Act 2003 Offences listed for the purposes of sections 224A, 226A and 246A.*

Government new schedule 5—*'Life sentence for second listed offence: consequential and transitory provision.*

Government new schedule 6—*'New extended sentences: consequential and transitory provision.*

Government new schedule 7—*'Release of new extended sentence prisoners: consequential provision.*

Mr Clarke: The new clauses and schedules relate to the abolition of sentences of imprisonment for public protection, known as IPP sentences. They were introduced in the Criminal Justice Act 2003 and have been in operation since 2005. Since their introduction, there have been numerous problems with them. The Government's policy is that they must be replaced, and we have brought forward proposals to do so. My proposals to replace them with tough determinate sentences have inevitably aroused criticism from both the right and the left—the story of my life, as I complained yesterday. We are replacing a regime that did not work as it was intended to with one that gives the public the fullest possible protection from serious, violent and sexual crime.

The sentences in their present form are unclear, inconsistent and have been used far more than was ever intended or contemplated by either the Government or Parliament when the sentence was first created. The right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), who is in his place, was very much involved in their introduction. I have no idea exactly what his view is now, but I am sure that he never imagined that thousands of people would be detained in prison indefinitely under these sentences. The debates at the time contemplated only a few hundred people.

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): I shall be extremely brief, given the time. It would be helpful, following the Secretary of State's meeting with me and my right hon. Friend the Member for Wythenshawe and Sale East (Paul Goggins), if he assured the House that reconsideration of the detail will take place in the House of Lords. There is no difference between those of us who accept that the original intention has not been followed through and those who think that the changes that my right hon. Friend the Member for Blackburn (Mr Straw) introduced have not fully bitten as intended, but the propositions before us this afternoon do not meet the specific need that was identified back in the early 2000s by my right hon. Friend the Member for Blackburn, and which I carried into being.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. The right hon. Gentleman knows that he should make a short intervention, not a speech at this stage.

Mr Blunkett: I have finished.

Mr Deputy Speaker: Order. I remind the right hon. Gentleman that he may have finished, but he should not take so long in future.

Mr Blunkett: I am sorry, Mr Deputy Speaker.

Mr Clarke: I am grateful to the right hon. Gentleman, and I will remember the need for extreme brevity. I am grateful for the discussion with the right hon. Members for Sheffield, Brightside and Hillsborough and for Wythenshawe and Sale East (Paul Goggins), and I will follow up the account by the right hon. Member for Wythenshawe and Sale East of the experience in Northern Ireland. We all acknowledge that where we are is not where anyone intended us to be. That is why we are addressing how to deal with serious and violent offenders.

I am sure that the words of the right hon. Member for Sheffield, Brightside and Hillsborough will be noted in the House of Lords. He speaks here with great authority. We will reflect on what is said by those who say that of course we have not got it quite right.

Derek Twigg (Halton) (Lab) *rose—*

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC) *rose—*

Mr Clarke: Normally I would give way, and if we had a full day of debate, I would have expected to give way to Members on both sides of the Chamber—*[Interruption.]* It is not my fault. Let me first finish explaining the general case. I will then try to give way as generously as I can. It would be quite possible to take so many interventions that they filled the remaining time, but I have no intention of doing so.

I remind the House that in June the Prime Minister announced that the Government intended to replace IPP sentences. He and I had agreed on that. We had originally proposed in our Green Paper greatly to restrict the number by raising the threshold above which IPP sentences were given. The sentencing parts of the Bill were received extremely well in public consultation because those who responded were largely those involved in the criminal justice system, but we received many representations saying that IPP sentences should abolished completely, which is why we have moved on.

Derek Twigg *rose—*

Mr Llwyd *rose—*

Mr Clarke: I said that I would give way when I had finished my general points, and I will do so in a few moments.

I was referring not just to my opinion and that of the right hon. Member for Sheffield, Brightside and Hillsborough. I shall remind the House of some of the people who have said similar things. Louise Casey, the Commissioner for Victims and Witnesses, whose appointment to deal with problem families has been welcomed, said that she was pleased there would be a review of indeterminate sentences as they

"often leave victims in a horrible situation of not knowing when a criminal may be released from prison".

She welcomed the proposal that tougher determinate sentences will be sought instead. Tim Godwin—as we all know, he was acting Metropolitan Police Commissioner until recently, and is now deputy commissioner and the criminal justice lead for the Association of Chief Police Officers—said he welcomed the review of IPP sentences and its focus on robust alternatives that will ensure the public is protected from the most serious offenders, as it is a source of frustration for victims and their families as to what a sentence actually means.

I cannot resist adding that the shadow Justice Secretary has suddenly taken up an extraordinarily far right position on this issue at the last moment. I have looked up what position he took, or at least what position Liberty took when he was its chairman in 2002, when indeterminate sentences were first introduced. At that time Liberty, under his chairmanship, denounced IPP sentences as

"a convoluted sleight of hand"

which aids neither accessibility of law for transparency in the sentencing process. His successors at Liberty have not changed their mind. I said yesterday that tomorrow he would press an amendment that has mandatory sentences for 12-year-olds. Old Fabians must be spinning in their graves as the former chairman of the Fabian Society takes up a totally opportunist position.

What is wrong is that indeterminate sentences are unfair between prisoner and prisoner. The Parole Board has been given the task of trying to see whether a prisoner could prove that he is no longer a risk to the public. It is almost impossible for the prisoner to prove that, so it is something of a lottery and hardly any are released. We therefore face an impossible problem.

As I have said, IPP sentences are piling up, and they have been handed down at a rate of more than 800 a year even after the changes made in 2008. At the moment, more than 6,500 offenders are serving those sentences, of whom more than 3,000 have finished what the public regard as their sentence—the tariff for what they have done. If we do not do anything about it, the number of IPP sentences will pile up to 8,000 or 9,000 by 2015—10% of the entire prison population. Sometimes, their co-accused who committed the same crime and were given a determinate sentence were released long ago. That is unjust to the people in question and completely inconsistent with the policy of punishment, reform and rehabilitation, which has widespread support. Only Opposition Front Benchers are still in favour of a punishment that leaves a rather randomly selected group to languish indefinitely in prison, for their lifetime if necessary.

Several hon. Members *rose—*

Mr Clarke: I will now take some interventions, and then go on as quickly as I can to describe the much better, more sensible and tough regime with which we are going to replace IPP sentences.

Mr Llwyd: I actually agree with doing away with IPP sentences. It is costing about £70 million per annum to keep those who are beyond tariff in prison, so I welcome the right hon. and learned Gentleman's announcement as far as it goes.

Mr Clarke: I am very grateful, and I really would be astonished if I had managed to make myself more radical than the right hon. Gentleman. No one ever regarded me as a liberal Home Secretary, but I am commending perfectly sensible, common-sense ideas.

Derek Twigg: Has the Secretary of State been listening to police officers such as the one in my constituency who has written to me to say that IPP sentences are working? He gives the case of an individual who set fire to a house, causing danger to others, who clearly presented a serious risk to the public. That police officer states:

"IPPs are a very useful tool for the Courts and I respectfully suggest that they should be retained and any issues with how they are implemented be looked at instead."

That is a police officer serving on the front line.

Mr Clarke: I do not claim rank for Mr Godwin, but I quoted what he has said on behalf of ACPO. Of course there are always dissenting views—I have never presented any proposal on anything that has had 100% approval—but the overwhelming majority of responses from those involved in the criminal justice system suggested that IPP sentences should be repealed. Those are not people who wish to be soft on crime, but they believe that IPP sentences have not worked as intended, as we have already heard in today's exchanges, and need to be replaced. To reassure policemen, such as the one that the hon. Gentleman mentions, that a tough new regime will give them protection, I will spell out elements of the new regime.

Philip Davies (Shipley) (Con): Is not the fact of the matter that indeterminate sentences have a very low reoffending rate, and that most members of the public rather like the idea that people are not released from prison until it is safe? What will my right hon. and learned Friend do to ensure that people who are released go through all the necessary treatment and programmes to address their offending behaviour before they are released?

Mr Clarke: My hon. Friend's last point is perfectly fair, and I am about to make some points that should reassure the great bulk of the public. Of course we must have in place a very effective method of dealing with all those who commit the worst sexual and violent offences. No one is suggesting that we do not need an effective regime for that.

For the very serious offenders, the ones who are among the worst of the likely inhabitants of Her Majesty's prisons, there will be a new mandatory life sentence. That will apply in cases in which the offender has committed, on two consecutive occasions, two very serious sexual or violent offences, when each of which has been serious enough to merit a determinate sentence of 10 years or more.

I was criticised from the left in another place, and probably will be here, for introducing a new mandatory life sentence. We have only one at the moment, which is for murder, and everybody accepts it. As I have said, however, the new mandatory sentence is mainly intended to reassure those who, like my hon. Friend, are worried that the worst offenders might occasionally get out. We are talking about very serious offenders, most of whom would get a life sentence anyway if they had committed two offences meriting determinate sentences of 10 years or more. I do not think that many such people would avoid a life sentence, but as hon. Members can see, a life sentence in the new clause is subject to a caveat—the offender will receive a mandatory sentence unless their circumstances or the circumstances of the offence

"make it unjust to do so".

5 pm

The most important sentence for serious offenders will be discretionary life—the ordinary life sentence—which is already the maximum sentence for the most serious crimes in the calendar. That is the right penalty when the maximum penalty is life and the offence is serious enough. The British criminal justice system has always had that indeterminate sentence and I have never quite understood why it was thought necessary to create another one parallel to it. However, as I am now agreeing with those who introduced that sentence in the first place, I will not go into it.

My new clauses make no changes to discretionary life. Both I and those who advise me anticipate that once IPP sentences are no longer available, much more use will again be made of discretionary life sentences. The worst people will go back to having life sentences, which we know works perfectly effectively and well. They will be under licence for life if they are ever released, before which there will be a Parole Board process.

Mr Jack Straw (Blackburn) (Lab): Will the right hon. and learned Gentleman explain the practical difference between an offender who is given an IPP for, say, a minimum tariff of five years, who will then be released by the Parole Board on proof of meeting certain conditions, and someone who is given a discretionary life sentence with a tariff of five years who is released by the Parole Board on exactly the same conditions? What is the difference?

Mr Clarke: Well, there are differences in the regime, the sentence planning and so on, but not very many. I will go back to the point about the regime that we want to introduce for people with extended determinate sentences, but the right hon. Gentleman makes my point. What is wrong with saying that the courts should use the ordinary life sentence? They will use a life sentence when they judge that a case is so serious, and when future risk is so high, that it is the only proper sentence.

For other offenders, we are introducing a new extended determinate sentence. The offender will receive a custodial sentence plus a further long extended period of licence set by the court. Those will be quite long determinate sentences, and the offenders who receive them will serve at least two thirds of them. In serious cases, offenders must apply to the Parole Board for release, and the board may keep them inside until the end of the determinate sentence.

Several hon. Members *rose—*

Mr Clarke: I shall just finish explaining this point and then answer questions.

The new sentence can be given for any sexual or violent offence, provided that the court thinks the offender presents a risk of causing serious harm through reoffending, and that the offence meets the four-year seriousness threshold that is currently in place for IPP sentences and extended sentences for public protection. The new sentence can also be given when the offender does not reach the four-year threshold, but has previously been convicted of an offence listed in proposed schedule 15B. I will cut out further detailed explanation, but that means that any offender who would previously have received an IPP will be eligible for the new sentence if he has not received either the mandatory life or the tougher, discretionary life sentence.

Sir Alan Beith (Berwick-upon-Tweed) (LD): I very much agree with what my right hon. and learned Friend is trying to do, but he is writing what is the likely practice of the court into the statute book. He mentioned the Parole Board and new clause 34, which causes me concern. He appears to be giving to himself and the Executive the power to direct a court when dealing with existing IPP prisoners, because the Parole Board is regarded in law as a court, and he will give directions to it under new clause 34.

Mr Clarke: I shall come to the Parole Board before I conclude my remarks, but we are not taking away its power: nobody who previously had an IPP will be released, even at the two-thirds point, unless they have first satisfied the board.

The most obvious difference between life sentences, which will now be used more widely, and IPP sentences is that, in the case of life imprisonment, licences are for life and subject always to recall, whereas IPP sentences are not. However, as I said, criminals who complete an extended determinate sentence must then serve extended licence periods, during which time they will be closely monitored and returned to prison if necessary. The courts have the power to give up to an extra five years of licence for violent offenders and eight years for sexual offenders on top of their prison licence.

There are further protections. Some people believe—the Labour Front Bench team certainly affect to believe—that we are exposing people to risk by making this much overdue change. We are also introducing—not in the legislation, but I undertake to introduce them—compulsory intervention plans for dangerous offenders while they are in prison, so that they are supported to change their ways and not commit more crimes when they are eventually released. By the end of sentence, offenders should therefore have undergone interventions—made in a more certain and organised way than at present—to address their offending behaviour.

There is rightly concern that those currently serving IPP sentences should be supported in progressing through their sentences and achieving release on licence. However, we will be using our best efforts to improve the progression of these prisoners through sentence, including with improvements to assessment, sentence planning and delivery, and parole review processes. We continue to monitor outcomes to ensure further improvements in this area.

There are yet further protections available to the court. We do not believe that our proposed changes put the public at risk or weaken our risk-management regime. Most sexual or violent offenders sentenced to 12 months or more in custody will fall under the multi-agency public protection arrangements framework, which means that the relevant authorities will work together to co-ordinate assessments of risk and risk-management plans for the offender once they have been released on licence. Robust risk-management systems are now in place for a range of offenders. Court orders are also available to manage the risk of serious sexual and violent offenders who appear to present a risk at the end of their sentence. Violent offender orders and sex offending prevention orders place restrictions on these offenders, and if they breach those orders, they can be sent back to prison.

In the sentencing Green Paper, we raise the question of whether the Parole Board's test for release in these cases is the right one, because only a tiny number of people ever emerge from prison at the moment—the rate is less than 5% a year—and we are acquiring people who are still in prison years after they finished the tariff that the judge imposed on them. This is a question that we will explore further. The amendments give the Secretary of State a power to change the release test used by the Parole Board, which is set in statute for IPP prisoners and for prisoners serving the new extended sentence. The power will be subject to the affirmative procedure.

We will consult carefully and see what happens to the Parole Board and the courts once we have made the present form of sentence extinct for former prisoners.

The trouble now is that someone who has finished his tariff has to stay in prison unless he can persuade the Parole Board that it is safe to let him out. *[Interruption.]* That is it; that can be difficult, sitting in a prison cell, although we are going to produce some management plans. On the other hand, if we are keeping someone in beyond their tariff, it is certainly arguable that we should have some positive reason for fearing that there is a risk that he is going to offend when he leaves. We have to reflect—we will consult on this—on whether we have been giving the Parole Board an almost impossible task. It is no good pretending that it can come to a scientifically certain conclusion in each case. None of us would like to say, if we met a range of prisoners, which were now reformed and which would offend again. The Parole Board gets it wrong now: some of those it releases offend again, while some of those in prison are never going to offend again, if we can actually get them out. We will consult on whether the current release tests for IPP sentences and the new extended indeterminate sentence ensure effective public protection while allowing everyone to be satisfied—as far as they can ever be satisfied in this world—that the offenders can now be safely managed in the community.

Mr Straw *rose—*

Mr Clarke: I shall give way one last time, because I am trying to be brief so that we can have a debate.

Mr Straw: Some 40% of discretionary and mandatory lifers are post-tariff. They have to prove that it is safe to release them. Can the Secretary of State please explain what the difference is in substance between someone on a life sentence who has to satisfy the Parole Board that it is safe to release them and someone on an IPP?

Mr Clarke: Because the judge, in full knowledge of the circumstances of the offence and the offender, has decided that such a serious offender should get life imprisonment, it is—

Sadiq Khan (Tooting) (Lab): The same now.

Mr Clarke: It is not. What I think the right hon. Gentleman is saying—I will listen to him in a moment—is that he proposes to defend what is left of the last Government's proposals, the author of which acknowledged quite early in my speech that they plainly needed to be changed. If I get the chance, I will listen to what the right hon. Member for Blackburn (Mr Straw) is trying to argue, but he seems to be reassuring us that life sentences fulfil that requirement for the very worst people—that they are looked at carefully before being let out again—and those people will be on licence for life: once they start going in for aberrant behaviour, they can be recalled to prison and punished once more.

Apart from the very outlying people on the right and the left, I hope that I have satisfied everybody. It is high time that we reformed indeterminate sentences. Personally, I am amazed that they have survived judicial review and challenge in the courts thus far, but if something was not done, they would not survive very much further, which would lead to unfortunate consequences if a court suddenly started ordering us to release such prisoners and decided that they were being held unlawfully. I have recently described them as a "stain on the system". I said that at a private meeting in the House of Lords—although it soon found its way into the press—but it is my opinion. What we are putting in place is protection for the public: far more rational, certain, determinate sentences, which is much more in line with how we think the British system should behave.

I will, of course, be followed in this debate by the right hon. Member for Tooting (Sadiq Khan). I have already expressed my amazement at his position, and I have found some other quotations from him in my time. I cannot understand how he can match up to his present position. For example, when we both started in July last year, his leader—the current Leader of the Opposition—said:

"I don't think we should try to out-right the right on crime,"

and said that I was

"opening up an opportunity for us to redefine part of the debate about criminal justice."

Only a few weeks ago, addressing the Howard League, the right hon. Member for Tooting said—in a lecture that I thought put him in a very convoluted position between his conscience and where he is at present—that

"our big challenge is to communicate that punishment and reform can and should go hand-in-hand...To deliver this calls for an honest debate".

The right hon. Gentleman, the shadow Justice Secretary, is a radical lawyer from south London—he is more radical than I am—and he is trying to "out-right" me in what is an absurd and hopeless case. What we are putting in place is an altogether rational and sensible system.

Sadiq Khan: I thank the Justice Secretary.

"Public safety remains our primary concern and indeterminate sentences will always be appropriate for the most serious crimes"—

not my words, although I agree with them entirely, but those of this Government's Green Paper, "Breaking the Cycle", which was published in December 2010. How things have changed in just 11 months: instead of what was said then, at the last minute—and after interference from No. 10 Downing street—there was suddenly no mention of indeterminate sentences when the Bill was published in June, more than four months ago. At the last possible moment—at one minute to midnight—we are presented with new clauses that propose the total abolition of indeterminate sentences.

5.15 pm

That is compounded by the ludicrous timetabling of today's proceedings, whereby, because of the earlier ministerial statement and the knife that will halt proceedings on the new clauses at 6 pm, we are left with only 73 minutes in which to debate them for the first time. This is no way to go about passing legislation that is supposed to protect the public from some of the most serious and violent offenders. Why are the Government scared of debate? The Justice Secretary should be ashamed.

Of course, responsibility for these new clauses and the consequences that will flow from them lies not with the Justice Secretary; it can be placed firmly at the door of No. 10. From what we can see, the Justice Secretary is no longer in charge of his own Department. Back in

June, it was the Prime Minister—without the Justice Secretary being present—who presented the Government's justice policy. I have a huge amount of respect for the Justice Secretary, but I am afraid he has become the mere puppet of a Prime Minister who appears no longer to have confidence in his abilities. I might be the shadow Justice Secretary, but he is a shadow of his former self.

The new clauses appear to have been conjured up, but it is not just their timetabling that is rushed. Their incoherence smacks of rushed drafting as well. They have had no pre-legislative scrutiny. The proposals did not form part of the Second Reading debate, and they were not debated at all in Committee. Now, we have less than half an hour in which to discuss them on the Floor of the House on Report, which rides roughshod over public concerns.

Mr Kenneth Clarke: The right hon. Gentleman seems to be using his time to complain about not having enough time. Before he develops any conspiracy theories, may I make my position clear? I have spoken out against indeterminate sentences in the House before. The Green Paper proposed to restrict them, and I explained why. The announcement in June was made after the most careful discussion with the Prime Minister. We both agreed it, and the idea that I have been forced into accepting the abolition of indeterminate sentences is complete nonsense. The consultation process encouraged me to believe that serious people in the justice system were prepared to go for total abolition, and I leapt at the opportunity, as should the right hon. Gentleman, as a former chairman of Justice and of the Fabian Society. I cannot imagine where he thinks he is taking the labour movement to.

Sadiq Khan: We now know that, when this Government review policy, it means that they abolish it. This is the same Justice Secretary who signed off the Green Paper last December.

Not for the first time, the Government will have to leave it to colleagues from all parties and none in the other place to perform the scrutiny that this Bill deserves. The Justice Secretary is presenting us today with a blueprint that will risk more crime, more victims, and more serious and dangerous offenders being out on the streets. It is as simple as that, and he knows it. No amount of smoke and mirrors can disguise the fact that, by abolishing indeterminate sentences, he is risking the safety of communities in each and every constituency.

"Many dangerous criminals will be released, including repeat offenders, regardless of the risk they pose to the public."

Those are not my words, but those of the right hon. Member for Arundel and South Downs (Nick Herbert), now the Minister for Policing and Criminal Justice, back in 2008, when he was commenting on the changes to indeterminate sentences that we made when we were in government. We made changes to them, but this Government are now proposing to abolish them altogether. What happened to the party that believed in law and order?

I spent a few minutes this morning finding recent cases in which judges had given an indeterminate sentence to a convicted offender to protect the public. I will not give the names of the offenders or the victims, as I do not want to cause the victims further distress. A South Wales police press release from September this year bears the heading "Indeterminate prison sentence for convicted rapist".

It goes on:

"A Cynon Valley man described as a 'dangerous individual' has been given an indeterminate sentence for the rape of two women and wounding of another...D, who the judge described as a dangerous individual, will not be considered for parole for six years. D's victims have released the following...statement: 'Our lives will never be the same after the trauma D has put us through. We were physically, mentally, financially and emotionally abused and controlled by him. We are satisfied with the court's decision to give him an indeterminate sentence and relieved that no-one else will suffer like we have.'"

In this October's online version of the *Birmingham Mail* was the headline, "Teenager jailed for stab attacks on father and son in West Heath". The article stated:

"A teenager has been given an indeterminate sentence for stabbing a father and son while they tried to protect a 'petrified' youngster who sought refuge in their Birmingham home...Judge William Davis QC said: 'You stabbed both the householder and his son causing both of them significant injury. It is a very serious offence because two people were attacked on their own door step and one of them left perilously close to death.' The judge said he believed J to be a 'dangerous young man'. After sentencing",

the victim said,

"I am extremely pleased the judge recognised the seriousness of the offence. It shows the public that carrying knives will not be accepted in society today."

This month's *North-West Evening Mail* contained the headline, "Caustic soda brute loses appeal against sentence", and continued:

"A 'dangerous and manipulative' thug, who scarred a teenager for life by pouring caustic soda on her face, has been told by top judges he deserved his indefinite jail term...On Thursday G challenged his indefinite jail terms, with his lawyers also arguing the minimum five years he was ordered to serve before applying for parole was 'excessive'. But his appeal was thrown out by judges sitting at London's Criminal Appeal Court, who described G as a 'very dangerous man' who should not be released from prison until the Parole Board considers it safe to do so...Sentencing him, the crown court judge said he was a 'controlling, manipulative, emotionless and uncaring man' who was a danger to women...The appeal judge",

Mr Justice Spencer,

"said: 'The judge was quite correct to conclude that the appellant should not be released until the Parole Board deems it safe for him to be released.'"

Mr Kenneth Clarke: Can the right hon. Gentleman think of any good reason why, given the remarks he has provided about the sentences, that the perpetrators would not have been given a life sentence? Normally, people like that would get a life sentence. Since there have been IPP sentences, some people have got them, but in the cases the right hon. Gentleman describes, judges will go back to the normal practice of giving a life sentence.

Sadiq Khan: They will not. The right hon. and learned Gentleman's proposals require there to have been a first offence, and the schedule provides for sentences of 10 or more years. The person found guilty will have to have come back for a second offence and be found guilty of an offence that also requires a sentence of 10 or more years. In all these cases—the right hon. and learned Gentleman knows this—the Government will have taken away from the judge who has heard all the evidence and knows the facts of the case the power to give the IPP sentence.

Mr Clarke: There is no qualification for a life sentence. People can be sent down for a life sentence for their first offence if it is serious enough and demonstrates the danger posed to the public. We are not introducing any qualifications at all to the power to give life imprisonment.

Sadiq Khan: I could not have demolished the arguments better than the right hon. and learned Gentleman just has. He makes the exact point for me. Under the proposals we are presented with today, our judges will be stripped of the power to prevent the most serious criminals from being released and going on to be a danger to society. We can imagine a scenario—and an horrific one at that—of someone committing a serious and violent assault being caught, charged and found guilty. Under the Government's new proposals, I accept that they might receive an extended determinate sentence and be eligible for release after two thirds of their sentence, should the Parole Board be satisfied. However, even if the Parole Board were not satisfied after two thirds of the sentence had elapsed, there would be nothing to prevent release at the end of the full sentence handed down by the judge. Dangerous individuals would be released at the end of their extended determinate sentence irrespective of whether they posed a risk to the public. Under the new proposals, judges will be able to do absolutely nothing about that. They will be powerless to deprive the offender further of his liberty in order to keep the public safe. I should be happy for the Justice Secretary to intervene on that point, but he apparently does not wish to do so.

Mr Clarke: The right hon. Gentleman clearly did not understand my question. He gave some dreadful descriptions of dreadful cases, featuring what—when the full circumstances are known—are clearly some of the worst examples of violence and sexual offences that could be found. The point is, however, that such people will receive life sentences, because such sentences are available to the court, and they will not be released until someone is satisfied that they are no longer as great a risk as they were. They will be subject to licence for the rest of their lives, and it will be possible to recall them if they start behaving in any sort of threatening way. The life sentence fills the gap that the right hon. Gentleman claims I am creating. We are not changing the position at all.

Sadiq Khan: I realise that the Justice Secretary has not practised law recently, but if a judge could deliver a life sentence for such offences now, he or she would do so. It is because judges have the power under the IPP sentence to deliver indeterminate sentences to protect the public that they deliver those sentences. I am afraid that the Justice Secretary is not right.

A critical weapon will be absent from a judge's arsenal, preventing that judge from handing down the most appropriate sentence. The judge will simply not be able to sentence the offender with the condition that only when the authorities are satisfied that he is not a risk to society will he be released. I know that that will free up prison places and save the Government money, but taking risks with public safety is plain wrong, which is why we will oppose new clause 30.

Public safety will also be compromised by the proposed "two strikes and you're out" sentences. That is a great media soundbite and a sure-fire way of making the Government seem tougher than they really are, and it is precisely the kind of thinking that lies behind the inclusion of the words "punishment of offenders" in the Bill, but policies relating to public safety cannot be determined by a public relations strategy.

We do not have to scratch very far beneath the surface to see that the Government's plans are riddled with problems. Not only are they a rehash of failed Conservative policy from the 1990s, but they introduce a worrying amount of risk—risk that will undermine public safety. Through their "two strikes" policy, the Government absolve themselves totally of any responsibility to identify the serious, violent offenders who are most likely to reoffend. That should be done at the time when the first sentence is handed down for the commission of a heinous crime. It was for the purposes of precisely this scenario that the previous Government created indeterminate sentences, but this Government are making no effort to protect the public from those who are most likely to commit further serious and violent crime following their release. They will address the problem only once the offender has committed a second crime.

Mr Graham Stuart (Beverley and Holderness) (Con): The right hon. Gentleman has cited cases, and appalling cases at that, in which he feels that an indeterminate sentence is appropriate. Can he give any examples of cases in which he thinks that an indeterminate sentence has not led to justice—in which people have been locked up for many years, perhaps longer than they should have been?

Sadiq Khan: I shall come to the challenges posed by IPP sentencing. I accept that criticisms could be made about cases of people who should perhaps have been released and have not been. The hon. Gentleman has made a fair point. However, I do not think that the Government should risk the possibility that their policy will create countless additional victims, pain and misery that could be prevented if they took seriously their responsibility to keep the public safe. It should also be noted that the threshold for the handing down of a mandatory life sentence for the second offence is higher than that required for an indeterminate sentence. As a result, there is a risk that some of the most dangerous and serious criminals will not even be covered by the "two strikes" proposals. All that points to the need for some kind of indeterminate sentence that judges could use only in the most serious circumstances.

The 2008 reforms helped to deal with some of the problems that were inherent in the Criminal Justice Act 2003, and I pay tribute, as did the Justice Secretary, to the work of my right hon. Friend the Member for Blackburn (Mr Straw) for the work that he did at that time. If the Government think that further reform is required, they can take many positive lessons from Northern Ireland's successful introduction of indeterminate custodial sentences. I know that the Justice Secretary has corresponded with Northern Ireland colleagues, and has had discussions with my right hon. Friends the Members for Wythenshawe and Sale East (Paul Goggins) and for Sheffield, Brightside and Hillsborough (Mr Blunkett) on this very matter. He has said nothing, however, about why he believes the Northern Ireland experience does not contain lessons for England and Wales; instead, he simply dismissed that possibility out of hand.

5.30 pm

I am on record as saying that I want IPP sentences to be reformed so that they work as originally envisaged. I am happy to work on a cross-party basis to achieve that, so that IPP sentences protect the public from the most serious violent reoffenders. What I am not willing to do is play hard and fast with public safety.

I have also previously said that we need to look at the backlog of prisoners who have served their minimum tariff but are still in prison. That involves addressing the shortage of suitable courses and programmes to support those on indeterminate sentences. This problem has been exacerbated by the cut of about 25% in the Justice budget. One thing I will not support, however, is any watering down of due process before release of those who have served their minimum tariff. Instead, this Government have decided that indeterminate sentences should be discarded lock, stock and barrel, and there is now no mention at all of how they will deal with the backlog.

It is accepted that the Government's plans will involve an even greater role for the already over-stretched Parole Board on release decisions and increased amounts of licensing, and I foresee serious problems ahead. There will be more call on the already over-stretched programmes and courses to support the rehabilitation of serious and violent offenders. The Justice Secretary must be clear with the House if, as a result of his bungled last-minute sentencing proposals, the extra resources required by the Parole Board and the prison service in order for them to be effective will not be forthcoming. If that is the case, he must explain how he expects the service to deliver more with the same budget.

All this is happening at the same time as the prison population is at crisis point, with more overcrowding, fewer programmes to support rehabilitation, and less power to the judges. The Justice Secretary's claims that his reforms would "restore public confidence" and bring "common sense to sentencing" are laughable. How does he believe that abolishing indeterminate sentences, and replacing them with extended determinate sentences and "two strikes" sentences, will provide greater clarity? Perhaps he might also wish to explain to the public why he feels that it is "common sense" to restrict the power of judges to prevent the most serious and violent criminals most at risk of reoffending from being released from prison.

Nor do the Justice Secretary's proposals seem to chime with his desire, which I share, to increase the amount of discretion on offer to judges. A judge's role is to make a judgment, within certain parameters, based on the facts of the case, not simply to do as the Justice Secretary of the day instructs. Last week when appearing before the Home Affairs Committee the Justice Secretary reiterated his opposition to moving towards more mandatory sentences, yet just a week later we are presented with increased mandatory life sentences and the removal of the option of a judge handing down an indeterminate sentence if the circumstances permit.

I urge the House to reject new clause 30. We should leave IPP sentences on the statute book so that judges can continue to give indeterminate sentences to protect the public in appropriate cases.

Philip Davies: Unlike the Front Benchers, I will try to keep my speech brief so as to allow other Members to contribute.

The Government are making a serious mistake by getting rid of indeterminate sentences, and I believe the decision will come back to bite them on the bottom. The vast majority of people serving indeterminate sentences have committed crimes such as manslaughter, other homicide and attempted homicide, other violence against the person, rape, other sexual offences, robbery and arson. Why on earth would we want a Government who think it is perfectly acceptable to let those people out of prison before they are deemed safe to be released out among the public?

Sadiq Khan: It is being done to save money.

Philip Davies: The shadow Secretary of State has hit the nail on the head. The Secretary of State started off in his post by saying that the most important thing for him was reducing reoffending. Well, we are talking about the crown jewel in the criminal justice system for dealing with reoffending. *[Interruption.]* I know that the Liberal Democrats do not believe that—they are soft on crime so I would not expect them to accept it. By the end of last year, 206 people who had served indeterminate sentences had been released from prison and 30% of them had committed more than 15 previous offences. Many of these people were not just dangerous offenders, but persistent offenders. How many of those 206 had committed another offence by the end of last year? The answer is just 11, or about 5%. The Secretary of State would give his right arm for reoffending rates of that order across the criminal justice system, so why on earth does someone who is supposedly committed to reducing the reoffending rate want to scrap the best-performing part of the criminal justice system on reoffending? This beggars belief. It comes back to the point that his real motive is not about reducing reoffending or protecting the public; it is about reducing the prison population. That is the only thing that he has ever been interested in, and this measure is all the proof we ever needed that that is his only motivation. It is absolutely appalling that a Government supposedly dominated by the Conservative party—the party of law and order—could be letting dangerous offenders out of prison before they are deemed safe to be released.

I wish to give a couple of examples of the people we are talking about from my local area of Bradford. Toffozul Ali was a convicted killer who was locked up indefinitely for a sudden and sustained knife attack in Bradford. Ali shook hands with his victim, Darren Jones, before stabbing him from behind, causing wounds to his arm, chest and knee. Ali already had a conviction for manslaughter for stabbing an Asian man to death when he was only 16, and he was branded a public danger and sentenced to an IPP. This Government seem to think it is fine that he can be released from prison before he is deemed safe to be released from prison—it is an absolute disgrace. Martin Ellerton was locked up indefinitely for stabbing his father to death, and he confessed to a six-year crime spree involving more than 630 offences of burglary and theft. These are the types of people we are talking about. The Secretary of State seems more concerned with their rights than with those of the people in places such as Shipley, who want to be protected from these people.

Stephen Ayre was a convicted killer who abducted and raped a 10-year-old boy in my constituency when he was unnecessarily released from prison. The father of

that boy has gone through the trauma of that to call publicly for the Secretary of State to rethink his proposals on indeterminate sentences, saying:

"I would not wish what we've been through on anyone. The system failed my son six years ago. But Ken Clarke's changes will only make things worse."

I guarantee that people will be released from prison who otherwise would not have been and I guarantee that those people will go on to commit serious offences. What will the people who voted for this measure think about that, given that they will have created unnecessary victims of crime?

Sadiq Khan: Does the hon. Gentleman realise that the new proposals mean that it is possible for somebody to receive an extended determinate sentence, to go on no courses or programmes, to sit in their cell for the duration of the sentence and still be released at the end of their determinate sentence?

Philip Davies: I have a lot of sympathy with what the shadow Secretary of State says. The point is that, at the moment, these people are released only when they are deemed safe to be released. Under a determinate sentence—irrespective of whether or not people are safe to be released, whether or not they have gone through the programmes they need to go through to address their offending behaviour and whether or not they have behaved well in prison—they will be released back out to the public. That is an absolute disgrace, as is debating this issue in just 73 minutes, with 30 minutes for speeches by Back Benchers. I will give up at that point to make room for other people, but the Secretary of State should be ashamed of himself as this will measure create further unnecessary victims of crime.

Kate Green (Stretford and Urmston) (Lab): I apologise for diverting the House to a rather different part of the debate, but my new clause 3, which I am pleased has support from Members across the House, is extremely important to a group of victims and their families—those for whom disability has been the motivation for murder or other violent crimes against disabled people. My new clause would apply the same minimum tariff in cases of murder in which disability has been a motivating factor as currently applies in similar cases with a sexual, racial or religious motivation. It would also shift the application of the aggravating feature of disability from being a matter of the victim being seen as vulnerable to a matter of the victim being at greater risk of harm, thereby firmly placing the obligation on the perpetrator.

Paul Maynard (Blackpool North and Cleveleys) (Con): I am delighted to support this new clause. Does the hon. Lady agree that although this might seem like an obtuse issue to hon. Members in the Chamber it is attracting great attention outside within the disabled community? Does she also agree that there will be utter incomprehension if we fail to make progress on this issue, which should be a simple matter of human dignity and equality?

Kate Green: The hon. Gentleman is absolutely right and he has raised this issue in the House and with the Lord Chancellor before. Many disability organisations and the families of victims of such crimes have contacted him and me to express their very deep concerns. I am particularly indebted to the Disability Hate Crime network, to Katherine Quarmby, an independent journalist, and to the Royal Association for Disability Rights. I am also especially indebted to Christine Oliver, the sister of Keith Philpott, who was a learning disabled victim of murder, for taking the time to talk to me about her family's experience in relation to my bringing the new clause before the House.

Mr Kenneth Clarke: I am sorry to intervene but, for the benefit of the debate on the other subject, may I assure the hon. Lady on behalf of the Government that we agree with her and my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard)? I am advised that the new clause is defective in its drafting—I can tell her why—and I can assure her that we will table amendments in the other House to give effect to what she is asking for. We also propose to cover the transgender issue. I think that will help us to get on with the debate.

Kate Green: I am extremely grateful to the Lord Chancellor, as will be the many disabled people and their families who have been in contact with me. I am delighted that a Government amendment will be brought forward in the other place and I shall not detain the House further.

Sir Alan Beith: The hon. Member for Stretford and Urmston (Kate Green) must be delighted that so brief and concise a speech has produced so immediate, thorough and satisfactory a response. I welcome what the Government are doing about this.

I want to be brief so I shall resist the temptation to go into the extraordinary intellectual journey that the right hon. Member for Tooting (Sadiq Khan) seems to have undertaken. I shall also resist the temptation to go into the habit of the previous Government of releasing people from prison at any moment when the jails seemed to be rather full without any reference to sentence planning or, for that matter, to the annual criminal justice Bill to which new clauses were always added on Report as far as I can recall—a practice I rather deplore because, as in this case, it denies us the opportunity to give new clauses proper scrutiny. I want to make it quite clear that the continuance of what I regard as a blot on the system—the use of indeterminate sentences—is something that I do not support. I therefore welcome the Lord Chancellor's action to remove such sentences from our system, and I believe that view is widely shared in the criminal justice system.

People are concerned about the possibility of serious criminals re-entering society and committing other very serious offences, but how can they conclude that the best thing to do with such people is to put them in prison without our having any idea how long they might stay there? Surely, it is better to have a much clearer idea that they will be in prison for a long time and that if they are ever released, it will be under licence for life. I do not see why it should be preferable for the public to be told, "Well, we've put the chap in prison, but we're not really sure when he'll come out and a board that you know very little about will decide whether it's safe." I think most members of the public would be quite suspicious of that and would rather hear that there was a clear and long sentence. I am suspicious of mandatory sentences, but as a means of giving reassurance on how the courts might be expected to behave in the

[Sir Alan Beith]

sort of cases we are discussing, the mandatory sentence we are discussing can be justified, especially as it is very carefully worded with appropriate provision for justice.

However, all this is only part of the story. None of it is any use unless we have proper sentence planning and proper offender management. Proper sentence planning is virtually impossible under the indeterminate sentences for public protection system, especially for those on shorter terms. People have not been completing the courses that they need to have completed to satisfy the Parole Board that they could be released. That system is untenable. We need effective sentence planning—and more determinate sentences are a better way of achieving that. We need proper offender management for offenders who are eventually going to leave prison. The Justice Committee has regularly stressed that the concept of offender management needs to include proper control. It should not be a system in which people are handed from one agency to another without a continuous process of supervision.

The trouble with the procedure in the new clause is that we do not have the opportunity to probe the details by tabling a probing amendment. I asked the Lord Chancellor earlier about new clause 34. I think that it is well intentioned in that it is an attempt to deal with existing indeterminate public protection prisoners, but I am bound to question it because it gives to the Executive the power to direct the Parole Board on what should be done with an individual. That is a direction to a court—there have been court cases that have ruled that the Parole Board must be regarded as a court. So it is an odd way of proceeding and one that we might have amended in Committee had we been able to consider the measure. If there is an opportunity, I hope that I can hear a little more about why the measure has been introduced as a new clause tonight.

5.45 pm

Mr Straw: I endorse the remarks of my right hon. Friend the Member for Tooting (Sadiq Khan) and the hon. Member for Shipley (Philip Davies). The hon. Member for Shipley, addressing the Lord Chancellor and his hon. Friends, said that the measure would lead to a number of dangerous offenders coming out of prison before it was correct to let them out. That, of course, is one of the key drivers of this policy. It is not about prison reform. The whole purpose of the measures put before the House last December was to cut the prison population by 6,500. The Lord Chancellor then ran into huge difficulties because he could not get his own side, our side or the judges to accept the 50% tariff for an early guilty plea and many other changes. I do not know the number exactly, but I do know that *The Times* quoted a Ministry of Justice spokesperson last Friday as saying that the changes would lead to a cut in the prison population of 2,500.

The Secretary of State seemed to want to have it both ways. He damned the concept of the indeterminate sentence for public protection and suggested that it was a stain on the system. He also tried to reassure the House and the public by saying, "Don't worry, we are going to do exactly the same thing, but it is going to be called a mandatory life sentence."

Mr Kenneth Clarke: May I correct the right hon. Gentleman? The impact statement will show the Bill as amended. Other things being equal, with no changes in the crime level—which depends far more on how long a recession we have, the levels of youth unemployment, how successful we are in dealing with drugs and how far we get with prison reform—the Bill will reduce the prison population by 2,300. The measure we are now debating will have no effect on the prison population in the period to 2015. The reduction in the prison population is achieved by measures already discussed and approved in the Public Bill Committee.

Mr Straw: It would have been helpful to have the impact statement before the House today rather than tomorrow. If the right hon. and learned Gentleman is saying—picking up the point made by the hon. Member for Shipley—that no prisoner who cannot be released until he has proved that he is not a danger to the public will not be released in the future, what on earth are these convoluted changes for?

The original design of the legislation in 2003 was unsatisfactory because it led in some cases to tariffs that were ludicrously short—in one case, 27 days. That was never the intention of my right hon. Friend the Member for Sheffield, Brightside and Hillsborough (Mr Blunkett) and it was causing a major problem. I, with the approval of the House, sought to change the law. It is worth Government Members remembering, as my right hon. Friend the Member for Tooting pointed out, that we got no assistance whatever from the Conservative Opposition at the time. Their complaint was that we were going soft by introducing this change. It was absolutely extraordinary. I do not remember the right hon. and learned Member for Rushcliffe (Mr Clarke), now the Lord Chancellor, standing up either in the House or outside suggesting that there was an alternative. We made that change and, interestingly and wholly contrary to what was said, it has led to a stabilisation of the numbers on indeterminate public protection sentences. According to the Lord Chancellor's statistical bulletin, in the most recent year the number of such sentences rose by only 3% over the previous year and the number of those receiving IPP sentences was 958 for the year ending March 2011, compared to one short of 1,000 for the year ending March 2010. The changes that were introduced are working.

Yes, it is right that we should look in more detail at the Northern Ireland experience to see what other changes can be made, but it is entirely wrong for the Secretary of State to try to set up a new system that will lead either to the release of dangerous people who are serious and persistent offenders, thousands of whom are in prison for violent offences and sexual offences—in the main—or make no difference at all.

Mr Geoffrey Cox (Torridge and West Devon) (Con): Will the right hon. Gentleman give way?

Mr Straw: If the hon. and learned Gentleman will excuse me, I will not.

The Lord Chancellor has been anxious to please the whole prison reform lobby—people who, bluntly, do not speak for the public, and rarely speak for the victims either in my experience, but even they will not be satisfied. Meanwhile, the public and innocent victims will be put at risk.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. May we have brevity? We want to hear as many speakers as possible.

Guy Opperman (Hexham) (Con): I declare an interest as a former barrister and a former criminal prosecutor, who has worked on several murder trials.

I assure my hon. Friend the Member for Shipley (Philip Davies) that I am not soft on crime, but I support the Government in their reform of this untenable, shocking and wrong system. With great respect to the right hon. Member for Blackburn (Mr Straw), he should hang his head in shame for being party to the Criminal Justice Act 2003 and the Criminal Justice and Immigration Act 2008, both of which were useless pieces of legislation that introduced something that the Prison Reform Trust, the Institute for Criminal Policy Research, the Nuffield Foundation and the criminal justice joint inspectorate described as

"one of the least carefully planned and implemented pieces of legislation in the history of British sentencing."

The flip-flops of the shadow Justice Secretary would put a kangaroo to shame. It is entirely right to reform a system that was underfunded, worked poorly and is manifestly wrong in the circumstances of a 21st-century country. I will speak only briefly but I remind the right hon. Member for Blackburn of the comments in the House of Lords on the 2003 and 2008 Acts, when the Lords addressed IPPs in the cases of the Crown *v.* James and the Crown *v.* Lee. In a decision that effectively lambasted the then Secretary of State, Lord Hope of Craighead said:

"There is no doubt that the Secretary of State failed deplorably in the public law duty...He failed to provide the systems and resources that prisoners serving those sentences needed to demonstrate to the Parole Board by the time of the expiry of their tariff periods...that it was no longer necessary for the protection of the public that they should remain in detention."

I could go on to quote from the judgments of Lord Carswell and Lord Brown of Eaton-under-Heywood, but I shall pause there.

I have made it clear that I am not soft on crime, as others have suggested. The debate has sadly been too short, but the new clause should certainly be supported by the House.

Paul Goggins (Wythenshawe and Sale East) (Lab): I share the concerns expressed by hon. and right hon. Members on both sides of the House, but I am grateful to the Lord Chancellor for the meeting he and his ministerial colleague held with my right hon. Friend the Member for Sheffield, Brightside and Hillsborough (Mr Blunkett) and I. I am also grateful for the Lord Chancellor's assurance earlier that he would still be thinking hard about the provisions as they go from this place to the House of Lords.

I want again to assert briefly that the Northern Ireland experience was instructive, and if the Lord Chancellor was prepared to reflect on it, it would strengthen the flawed prospectus he has given us. The experience in Northern Ireland was based on a tragic case involving Trevor Hamilton, who murdered Attracta Harron when she was on her way home from mass in December 2003. My right hon. Friend the Member for Delyn (Mr Hanson) remembers the case well because he dealt with the issues too. Hamilton had been released at the halfway point of a seven-year sentence for rape, indecent assault and threats to kill. The public were outraged that such a dangerous individual could be released with no control whatever by the public authorities.

The framework in Northern Ireland is based on two key principles. The first is absolute judicial discretion, with no presumptions about previous offences, such as there were in the 2003 Act—so complete judicial discretion. Secondly, judges have to go through a very clear process. Does the offence justify a life sentence? If it does, that is what the offender gets. If it does not, the judge must consider an extended sentence, which can give some degree of control over the release date, but the offender must eventually be released at the end of the extended custodial period. If that is not sufficient for public protection, only then can the judge give an indeterminate sentence.

The result is instructive. The Northern Ireland Justice Minister, David Ford, has sent us a report, for which I commend him—the report should be put in the Library. There has been no significant change in the number of life sentence prisoners. There have been 68 extended sentences and eight indeterminate sentences in three and a half years. That system is in control and it offers the public protection.

There are real risks with what the Lord Chancellor is proposing. If he is right and judges suddenly start to impose more life sentences, he will simply have replaced one problem with what he described as the original problem. He will have replaced indeterminate sentences with life sentences, which will bring all the issues relating to resources and parole that he faces currently. The most serious thing is that under his proposals all dangerous offenders not given a life sentence will have a definite date for release, which is a risk too far for this or any Government to take. It will leave a gap, bridged in Northern Ireland by the indeterminate sentence not as a first or a second option but as a complementary third option.

I am glad that the Lord Chancellor is listening. I hope he heeds that lesson and that when he takes his legislation to the other place he will make further amendments.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): I am in favour of the Government's decision to scrap IPP sentences in this instance. Liberty, among others, has said that IPPs could be a back-door measure to introduce life sentences for a huge range of offences. They were intended to be given only sparingly but of course they have been used far more frequently than expected. In March 2011, there were 6,550 IPP prisoners, half of whom served 240 days beyond their tariff, at a cost to the Exchequer of about £68 million. That is quite apart from the whole question of whether they were being held unlawfully, which worries many of us.

As it stands, the IPP regime has been a costly mistake. Furthermore, the indefinite legal limbo created by IPP sentences has in many instances undermined rehabilitation, leaving prisoners and their families uncertain when, if ever, release will be granted. Like the Lord Chancellor, I wonder why those sentences have not been challenged in the courts. I have campaigned on the matter for a long time. In February, I introduced a ten-minute rule Bill seeking the abolition of IPP sentences, so I am pleased about the Government's decision.

[Mr Elfyn Llwyd]

New clause 32 would mean that prisoners serving an extended sentence of at least four years in custody, who have a prior conviction for one in a list of serious offences, will be required to serve two thirds of their sentence, instead of being considered for release at the halfway point. I argued for such a provision when I introduced my Bill, so I am pleased that it has been introduced. However, like the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith), I have concerns about new clause 34. I have grave concerns about interference in individual parole decisions. That proposal must be looked at in the other place. We do not have time to debate it properly today and I am sure that many Members, whatever their views, would have appreciated a sensible timetable.

Mr Kenneth Clarke: I shall correspond with the right hon. Gentleman and the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith). The new clause was tabled at my request so that we can contemplate changing the test for release by statutory instrument. I shall explore whether it gives rise to the problems described. I certainly have no intention at the moment of intervening in individual cases and making judgments about IPP prisoners.

Mr Llwyd: That is certainly reassuring, but had we had a decent amount of time to discuss the proposals we could have probed them earlier. There is also some confusion about new clause 33, which will no doubt be picked up in the other place.

I know that I have done nothing for my street credibility, and even less for the Lord Chancellor's, but I believe that the IPP system has been brought into disrepute. It is only right that we do away with it, and to that extent I agree with what the Government seek to do.

Mr Robert Buckland (South Swindon) (Con): I shall be brief. I support the Government's amendments. We need a system that does not try to predict risk, but sentences according to the seriousness of the offence. The right hon. Member for Wythenshawe and Sale East (Paul Goggins) made some very interesting points that deserve consideration, but now is the time for change. The current system is not sustainable. We are not dealing with the risk that these people pose and a system of determinate long sentences would be a far better service to the victims of crime, who are too often left in the dark about what happens in cases—

6 pm

Debate interrupted (Programme Order, 31 October).

The Deputy Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E), That the clause be read a Second time.

The House divided: Ayes 311, Noes 235.

Division No. 383] **[6 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Steve
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Durkan, Mark
Edwards, Jonathan
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, rh Justine
Griffiths, Andrew
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hoey, Kate
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunter, Mark
Hurd, Mr Nick
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus

Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lloyd, Stephen
Llwyd, rh Mr Elfyn
Long, Naomi
Lord, Jonathan
Loughton, Tim
Lucas, Caroline
Luff, Peter
Lumley, Karen
Macleod, Mary
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Ritchie, Ms Margaret
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Hywel
Williams, Mr Mark
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
James Duddridge and Norman Lamb

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Bails, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Brennan, Kevin
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
Davies, Philip
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Fiello, Robert
Flint, rh Caroline
Flynn, Paul
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan

Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Lewis, Mr Ivan
Lewis, Dr Julian
Lloyd, Tony
Love, Mr Andrew
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Main, Mrs Anne
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McCrea, Dr William
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Nuttall, Mr David
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Simpson, David
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Vaz, rh Keith
Walley, Joan
Watson, Mr Tom
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Mr David Hamilton and Yvonne Fovargue

Question accordingly agreed to.

New clause 30 read a Second time.

The Deputy Speaker the put forthwith the Questions necessary for disposal of the Business to be concluded at that time.

New Clause 30 added to the Bill.

New Clause 31

LIFE SENTENCE FOR SECOND LISTED OFFENCE

'(1) In Chapter 5 of Part 12 of the Criminal Justice Act 2003 (sentencing: dangerous offenders), after section 224 insert—

"224A Life sentence for second listed offence

(1) This section applies where—

(a) a person aged 18 or over is convicted of an offence listed in Part 1 of Schedule 15B,

(b) the offence was committed after this section comes into force, and

(c) the seriousness condition and the previous offence condition are met.

(2) The court must impose a sentence of imprisonment for life unless the court is of the opinion that there are particular circumstances which—

(a) relate to the offence, to the previous offence referred to in subsection (4) or to the offender, and

(b) would make it unjust to do so in all the circumstances.

(3) The seriousness condition is that the court considers that the seriousness of the offence, or of the offence and one or more offences associated with it, is such as to justify the imposition of a sentence of imprisonment for 10 years or more, disregarding any extension period imposed under section 226A.

(4) The previous offence condition is that —

(a) at the time the offence was committed, the offender had been convicted of an offence listed in Schedule 15B ("the previous offence"), and

(b) a relevant life sentence or a relevant sentence of imprisonment or detention for a determinate period was imposed on the offender for the previous offence.

(5) A life sentence is relevant for the purposes of subsection (4)(b) if—

(a) the offender was not eligible for release during the first 5 years of the sentence, or

(b) the offender would not have been eligible for release during that period but for the reduction of the period of ineligibility to take account of a relevant pre-sentence period.

(6) An extended sentence imposed under this Act (including one imposed as a result of the Armed Forces Act 2006) is relevant for the purposes of subsection (4)(b) if the appropriate custodial term imposed was 10 years or more.

(7) Any other extended sentence is relevant for the purposes of subsection (4)(b) if the custodial term imposed was 10 years or more.

(8) Any other sentence of imprisonment or detention for a determinate period is relevant for the purposes of subsection (4)(b) if it was for a period of 10 years or more.

(9) An extended sentence or other sentence of imprisonment or detention is also relevant if it would have been relevant under subsection (7) or (8) but for the reduction of the sentence, or any part of the sentence, to take account of a relevant pre-sentence period.

(10) For the purposes of subsections (4) to (9)—

"extended sentence" means—

(a) a sentence imposed under section 85 of the Powers of Criminal Courts (Sentencing) Act 2000 or under section 226A, 226B, 227 or 228 of this Act (including one imposed as a result of section 220 or 222 of the Armed Forces Act 2006), or

(b) an equivalent sentence imposed under the law of Scotland, Northern Ireland or a member State (other than the United Kingdom);

"life sentence" means—

(a) a life sentence as defined in section 34 of the Crime (Sentences) Act 1997, or

(b) an equivalent sentence imposed under the law of Scotland, Northern Ireland or a member State (other than the United Kingdom);

"relevant pre-sentence period", in relation to the previous offence referred to in subsection (4), means any period which the offender spent in custody or on bail before the sentence for that offence was imposed;

"sentence of imprisonment or detention" includes any sentence of a period in custody (however expressed).

(11) An offence the sentence for which is imposed under this section is not to be regarded as an offence the sentence for which is fixed by law."

(2) Schedule [Life sentence for second listed offence: new Schedule 15B to Criminal Justice Act 2003] (new Schedule 15B to the Criminal Justice Act 2003) has effect.

(3) Schedule [Life sentence for second listed offence: consequential and transitory provision] (consequential and transitory provision) has effect.'.—*(Mr Djanogly.)*

Brought up, and added to the Bill.

New Clause 32

NEW EXTENDED SENTENCES

'(1) In Chapter 5 of Part 12 of the Criminal Justice Act 2003 (sentencing: dangerous offenders), after section 226 and the italic heading "Extended sentences" insert—

"226A Extended sentence for certain violent or sexual offences: persons 18 or over

(1) This section applies where—

(a) a person aged 18 or over is convicted of a specified offence (whether the offence was committed before or after this section comes into force),

(b) the court considers that there is a significant risk to members of the public of serious harm occasioned by the commission by the offender of further specified offences,

(c) the court is not required by section 224A or 225(2) to impose a sentence of imprisonment for life, and

(d) condition A or B is met.

(2) Condition A is that, at the time the offence was committed, the offender had been convicted of an offence specified in Schedule 15B.

(3) Condition B is that, if the court were to impose an extended sentence of imprisonment, the term that it would specify as the appropriate custodial term would be at least 4 years.

(4) The court may impose an extended sentence of imprisonment on the offender.

(5) An extended sentence of imprisonment is a sentence of imprisonment the term of which is equal to the aggregate of—

(a) the appropriate custodial term, and

(b) a further period (the "extension period") for which the offender is to be subject to a licence.

(6) The appropriate custodial term is the term of imprisonment that would (apart from this section) be imposed in compliance with section 153(2).

(7) The extension period must be a period of such length as the court considers necessary for the purpose of protecting members of the public from serious harm occasioned by the commission by the offender of further specified offences, subject to subsections (8) and (9).

(8) The extension period must not exceed—

(a) 5 years in the case of a specified violent offence, and

(b) 8 years in the case of a specified sexual offence.

(9) The term of an extended sentence of imprisonment imposed under this section in respect of an offence must not exceed the term that, at the time the offence was committed, was the maximum term permitted for the offence.

226B Extended sentence for certain violent or sexual offences: persons under 18

'(1) This section applies where—

(a) a person aged under 18 is convicted of a specified offence (whether the offence was committed before or after this section comes into force),

(b) the court considers that there is a significant risk to members of the public of serious harm occasioned by the commission by the offender of further specified offences,

(c) the court is not required by section 226(2) to impose a sentence of detention for life under section 91 of the Sentencing Act, and

(d) if the court were to impose an extended sentence of detention, the term that it would specify as the appropriate custodial term would be at least 4 years.

(2) The court may impose an extended sentence of detention on the offender.

(3) An extended sentence of detention is a sentence of detention the term of which is equal to the aggregate of—

(a) the appropriate custodial term, and

(b) a further period (the "extension period") for which the offender is to be subject to a licence.

(4) The appropriate custodial term is the term of detention that would (apart from this section) be imposed in compliance with section 153(2).

(5) The extension period must be a period of such length as the court considers necessary for the purpose of protecting members of the public from serious harm occasioned by the commission by the offender of further specified offences, subject to subsections (6) and (7).

(6) The extension period must not exceed—

(a) 5 years in the case of a specified violent offence, and

(b) 8 years in the case of a specified sexual offence.

(7) The term of an extended sentence of detention imposed under this section in respect of an offence may not exceed the term that, at the time the offence was committed, was the maximum term of imprisonment permitted for the offence in the case of a person aged 18 or over."

(2) Schedule [New extended sentences: consequential and transitory provision] (new extended sentences: consequential and transitory provision) has effect.'.—*(Mr Djanogly.)*

Brought up, and added to the Bill.

New Clause 33

NEW EXTENDED SENTENCES: RELEASE ON LICENCE ETC

'(1) Chapter 6 of Part 12 of the Criminal Justice Act 2003 (sentencing: release and recall) is amended as follows.

(2) In section 244(1) (duty to release prisoners on licence) (as amended by Schedule 13 to this Act) after "243A" insert ", 246A".

(3) After section 246 insert—

"246A Release on licence of prisoners serving extended sentence under section 226A or 226B

(1) This section applies to a prisoner ("P") who is serving an extended sentence imposed under section 226A or 226B.

(2) It is the duty of the Secretary of State to release P on licence under this section as soon as P has served the requisite custodial period for the purposes of this section unless either or both of the following conditions are met—

(a) the appropriate custodial term is 10 years or more;

(b) the sentence was imposed in respect of an offence listed in Part 1 of Schedule 15B or in respect of offences that include one or more offences listed in that Part of that Schedule.

(3) If either or both of those conditions are met, it is the duty of the Secretary of State to release P on licence in accordance with subsections (4) to (7).

(4) The Secretary of State must refer P's case to the Board —

(a) as soon as P has served the requisite custodial period, and

(b) where there has been a previous reference of P's case to the Board under this subsection and the Board did not direct P's release, not later than the second anniversary of the disposal of that reference.

(5) It is the duty of the Secretary of State to release P on licence under this section as soon as—

(a) P has served the requisite custodial period, and

(b) the Board has directed P's release under this section.

(6) The Board must not give a direction under subsection (5) unless—

(a) the Secretary of State has referred P's case to the Board, and

(b) the Board is satisfied that it is no longer necessary for the protection of the public that P should be confined.

(7) It is the duty of the Secretary of State to release P on licence under this section as soon as P has served the appropriate custodial term, unless P has previously been released on licence under this section and recalled under section 254 (provision for the release of such persons being made by section 255C).

(8) For the purposes of this section—

"appropriate custodial term" means the term determined as such by the court under section 226A or 226B (as appropriate);

"the requisite custodial period" means—

(a) in relation to a person serving one sentence, two-thirds of the appropriate custodial term, and

(b) in relation to a person serving two or more concurrent or consecutive sentences, the period determined under sections 263(2) and 264(2)."

(4) Schedule [Release of new extended sentence prisoners: consequential provision] (release of new extended sentence prisoners: consequential provision) has effect.'.—*(Mr Djanogly.)*

Brought up, and added to the Bill.

New Clause 34

POWER TO CHANGE TEST FOR RELEASE ON LICENCE OF CERTAIN PRISONERS

'(1) The Secretary of State may by order provide that, following a referral by the Secretary of State of the case of an IPP prisoner or an extended sentence prisoner, the Parole Board—

(a) must direct the prisoner's release if it is satisfied that conditions specified in the order are met, or

(b) must do so unless it is satisfied that conditions specified in the order are met.

(2) An order under this section may—

(a) amend section 28 of the Crime (Sentences) Act 1997 (duty to release IPP prisoners and others),

(b) amend section 246A of the Criminal Justice Act 2003 (release on licence of extended sentence prisoners),

(c) make provision in relation to any person whose case is disposed of by the Parole Board on or after the day on which the regulations come into force (even if the Secretary of State referred that person's case to the Board before that day),

(d) make different provision in relation to IPP prisoners and extended sentence prisoners, and

(e) include consequential provision.

(3) An order under this section is to be made by statutory instrument.

(4) A statutory instrument containing an order under this section may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.

(5) In this section—

"extended sentence prisoner" means a prisoner who is serving a sentence under section 226A or 226B of the Criminal Justice Act 2003;

"IPP prisoner" means a prisoner who is serving one or more of the following sentences and is not serving any other life sentence—

(a) a sentence of imprisonment for public protection or detention in a young offender institution for public protection under section 225 of the Criminal Justice Act 2003 (including one imposed as a result of section 219 of the Armed Forces Act 2006);

(b) a sentence of detention for public protection under section 226 of the Criminal Justice Act 2003 (including one imposed as a result of section 221 of the Armed Forces Act 2006);

"life sentence" has the same meaning as in section 34 of the Crime (Sentences) Act 1997.'.—*(Mr Djanogly.)*

Brought up, and added to the Bill.

New Schedule 4

'LIFE SENTENCE FOR SECOND LISTED OFFENCE ETC: NEW SCHEDULE 15B TO CRIMINAL JUSTICE ACT 2003

In the Criminal Justice Act 2003, after Schedule 15A insert—

"SCHEDULE 15B

OFFENCES LISTED FOR THE PURPOSES OF SECTIONS 224A, 226A AND 246A

PART 1

OFFENCES UNDER THE LAW OF ENGLAND AND WALES LISTED FOR THE PURPOSES OF SECTIONS 224A(1), 224A(4), 226A AND 246A

The following offences to the extent that they are offences under the law of England and Wales—

1 Manslaughter.

2 An offence under section 4 of the Offences against the Person Act 1861 (soliciting murder).

3 An offence under section 18 of that Act (wounding with intent to cause grievous bodily harm).

4 An offence under section 16 of the Firearms Act 1968 (possession of a firearm with intent to endanger life).

5 An offence under section 17(1) of that Act (use of a firearm to resist arrest).

6 An offence under section 18 of that Act (carrying a firearm with criminal intent).

7 An offence of robbery under section 8 of the Theft Act 1968 where, at some time during the commission of the offence, the offender had in his possession a firearm or an imitation firearm within the meaning of the Firearms Act 1968.

8 An offence under section 1 of the Protection of Children Act 1978 (indecent images of children).

9 An offence under section 56 of the Terrorism Act 2000 (directing terrorist organisation).

10 An offence under section 57 of the Terrorism Act 2000 (possession of article for terrorist purposes).

11 An offence under section 59 of that Act (inciting terrorism overseas) if the offender is liable on conviction on indictment to imprisonment for life.

12 An offence under section 47 of the Anti-terrorism, Crime and Security Act 2001 (use etc of nuclear weapons).

13 An offence under section 50 of that Act (assisting or inducing certain weapons-related acts overseas).

14 An offence under section 113 of that Act (use of noxious substance or thing to cause harm or intimidate).

15 An offence under section 1 of the Sexual Offences Act 2003 (rape).

16 An offence under section 2 of that Act (assault by penetration).

17 An offence under section 4 of that Act (causing a person to engage in sexual activity without consent) if the offender is liable on conviction on indictment to imprisonment for life.

18 An offence under section 5 of that Act (rape of a child under 13).

19 An offence under section 6 of that Act (assault of a child under 13 by penetration).

20 An offence under section 7 of that Act (sexual assault of a child under 13).

21 An offence under section 8 of that Act (causing or inciting a child under 13 to engage in sexual activity).

22 An offence under section 9 of that Act (sexual activity with a child).

23 An offence under section 10 of that Act (causing or inciting a child to engage in sexual activity).

24 An offence under section 11 of that Act (engaging in sexual activity in the presence of a child).

25 An offence under section 12 of that Act (causing a child to watch a sexual act).

26 An offence under section 14 of that Act (arranging or facilitating commission of a child sex offence).

27 An offence under section 15 of that Act (meeting a child following sexual grooming etc).

28 An offence under section 25 of that Act (sexual activity with a child family member) if the offender is aged 18 or over at the time of the offence.

29 An offence under section 26 of that Act (inciting a child family member to engage in sexual activity) if the offender is aged 18 or over at the time of the offence.

30 An offence under section 30 of that Act (sexual activity with a person with a mental disorder impeding choice) if the offender is liable on conviction on indictment to imprisonment for life.

31 An offence under section 31 of that Act (causing or inciting a person with a mental disorder to engage in sexual activity) if the offender is liable on conviction on indictment to imprisonment for life.

32 An offence under section 34 of that Act (inducement, threat or deception to procure sexual activity with a person with a mental disorder) if the offender is liable on conviction on indictment to imprisonment for life.

33 An offence under section 35 of that Act (causing a person with a mental disorder to engage in or agree to engage in sexual activity by inducement etc) if the offender is liable on conviction on indictment to imprisonment for life.

34 An offence under section 47 of that Act (paying for sexual services of a child) against a person aged under 16.

35 An offence under section 48 of that Act (causing or inciting child prostitution or pornography).

36 An offence under section 49 of that Act (controlling a child prostitute or a child involved in pornography).

37 An offence under section 50 of that Act (arranging or facilitating child prostitution or pornography).

38 An offence under section 62 of that Act (committing an offence with intent to commit a sexual offence) if the offender is liable on conviction on indictment to imprisonment for life.

39 An offence under section 5 of the Domestic Violence, Crime and Victims Act 2004 (causing or allowing the death of a child or vulnerable adult).

40 An offence under section 5 of the Terrorism Act 2006 (preparation of terrorist acts).

41 An offence under section 9 of that Act (making or possession of radioactive device or materials).

42 An offence under section 10 of that Act (misuse of radioactive devices or material and misuse and damage of facilities).

43 An offence under section 11 of that Act (terrorist threats relating to radioactive devices, materials or facilities).

44 (1) An attempt to commit an offence specified in the preceding paragraphs of this Part of this Schedule ("a listed offence") or murder.

(2) Conspiracy to commit a listed offence or murder.

(3) Incitement to commit a listed offence or murder.

(4) An offence under Part 2 of the Serious Crime Act 2007 in relation to which a listed offence or murder is the offence (or one of the offences) which the person intended or believed would be committed.

(5) Aiding, abetting, counselling or procuring the commission of a listed offence.

Part 2

Further offences under the law of England and Wales listed for the purposes of sections 224A(4) and 226A

45 Murder.

46 An offence under section 1 of the Sexual Offences Act 1956 (rape).

47 An offence under section 5 of that Act (intercourse with a girl under 13).

48 (1) An attempt to commit an offence specified in the preceding paragraphs of this Part of this Schedule ("a listed offence").

(2) Conspiracy to commit a listed offence.

(3) Incitement to commit a listed offence.

(4) An offence under Part 2 of the Serious Crime Act 2007 in relation to which a listed offence is the offence (or one of the offences) which the person intended or believed would be committed.

(5) Aiding, abetting, counselling or procuring the commission of a listed offence.

Part 3

Offences under service law listed for the purposes of sections 224A(4) and 226A

49 An offence under section 70 of the Army Act 1955, section 70 of the Air Force Act 1955 or section 42 of the Naval Discipline Act 1957 as respects which the corresponding civil offence (within the meaning of the Act in question) is an offence specified in Part 1 or 2 of this Schedule.

50 (1) An offence under section 42 of the Armed Forces Act 2006 as respects which the corresponding offence under the law of England and Wales (within the meaning given by that section) is an offence specified in Part 1 or 2 of this Schedule.

(2) Section 48 of the Armed Forces Act 2006 (attempts, conspiracy etc) applies for the purposes of this paragraph as if the reference in subsection (3)(b) of that section to any of the following provisions of that Act were a reference to this paragraph.

Part 4

Offences under the law of Scotland, Northern Ireland or a member State other than the United Kingdom listed for the purposes of sections 224A(4) and 226A

51 An offence for which the person was convicted in Scotland, Northern Ireland or a member State other than the United Kingdom and which, if done in England and Wales at the time of the conviction, would have constituted an offence specified in Part 1 or 2 of this Schedule.

PART 5

INTERPRETATION

52 In this Schedule "imprisonment for life" includes custody for life and detention for life.'.—*(Mr Djanogly.)*

Brought up, and added to the Bill.

New Schedule 5

'LIFE SENTENCE FOR SECOND LISTED OFFENCE: CONSEQUENTIAL AND TRANSITORY PROVISION

PART 1

CONSEQUENTIAL PROVISION

Mental Health Act 1983 (c. 20)

1 In section 37 of the Mental Health Act 1983 (powers of courts to order hospital admission) in subsection (1A), after paragraph (b) insert—

"(ba) under section 224A of the Criminal Justice Act 2003,".

Criminal Justice Act 1988 (c. 33)

2 In section 36 of the Criminal Justice Act 1988 (reviews of sentencing) in subsection (2)(b)(iii) after "section" insert "224A,".

Powers of Criminal Courts (Sentencing) Act 2000 (c. 6)

3 The Powers of Criminal Courts (Sentencing) Act 2000 is amended as follows.

4 In section 12 (absolute and conditional discharge) in subsection (1) before "225(2)" insert "224A,".

5 In section 130 (compensation orders against convicted persons) in subsection (2) before "225(2)" insert "224A,".

6 In section 146 (driving disqualification for any offence) in subsection (2) before "225(2)" insert "224A,".

7 In section 164 (interpretation) in subsection (3)(c) after "section" insert "224A,".

Criminal Justice Act 2003 (c. 44)

8 The Criminal Justice Act 2003 is amended as follows.

9 In section 108 (offences committed by defendant when a child), at the end insert—

"(4) Subsection (2) does not prevent the admission of evidence of a previous conviction for the purposes of establishing whether section 224A applies."

10 In section 142 (purposes of sentencing: offenders aged 18 and over) in subsection (2)(c)—

(a) after "weapon)" insert ", under section 224A of this Act (life sentence for second listed offence for certain dangerous offenders)", and

(b) for "(dangerous offenders)" substitute "(imprisonment or detention for life for certain dangerous offenders)".

11 In section 150 (community sentence not available where sentence fixed by law etc) at the end of paragraph (ca) (but before the "or") insert—

"(cb) falls to be imposed under section 224A of this Act (life sentence for second listed offence for certain dangerous offenders),".

12 In section 152 (general restrictions on imposing discretionary custodial sentence) in subsection (1)(b) before "225(2)" insert "224A,".

13 In section 153 (length of discretionary custodial sentences: general provision) in subsection (1) before "225" insert "224A,".

14 In section 163 (general power of Crown Court to fine offender convicted on indictment) before "225(2)" insert "224A,".

15 Before section 224 insert—

"Interpretation".

16 After section 224 (and before section 224A) insert—

"Life sentences".

17 After section 226 insert—

"Extended sentences".

18 Before section 231 insert—

"Supplementary".

19 (1) Section 231 (appeals where convictions set aside) is amended as follows.

(2) Before subsection (1) insert—

"(A1) Subsection (2) applies where—

(a) a sentence has been imposed on a person under section 224A,

(b) a previous conviction of that person has been subsequently set aside on appeal, and

(c) without that conviction, the previous offence condition in section 224A(4) would not have been met."

(3) In subsection (1) for "This section" substitute "Subsection (2) also".

(4) After subsection (2) insert—

"(3) Subsection (4) applies where—

(a) a sentence has been imposed on a person under section 224A,

(b) a previous sentence imposed on that person has been subsequently modified on appeal, and

(c) taking account of that modification, the previous offence condition in section 224A(4) would not have been met.

(4) Notwithstanding anything in section 18 of the Criminal Appeal Act 1968, notice of appeal against the sentence mentioned in subsection (3)(a) may be given at any time within 28 days from the date on which the previous sentence was modified."

20 After section 232 insert—

"232A Certificates of conviction

(none) Where—

(a) on any date after the commencement of Schedule 15B a person is convicted in England and Wales of an offence listed in that Schedule, and

(b) the court by or before which the person is so convicted states in open court that the person has been convicted of such an offence on that date, and

(c) that court subsequently certifies that fact,

that certificate is evidence, for the purposes of section 224A, that the person was convicted of such an offence on that date."

21 In section 305(4) (interpretation of Part 12) after paragraph (ba) insert—

"(bb) a sentence falls to be imposed under section 224A if the court is obliged to pass a sentence of imprisonment for life under that section,".

Coroners and Justice Act 2009 (c. 25)

22 In section 125(6) of the Coroners and Justice Act 2009 (sentencing guidelines: duty of court) after paragraph (d) insert—

"(da) section 224A of that Act (life sentence for second listed offence for certain dangerous offenders);".

PART 2

TRANSITORY PROVISION

23 (1) In relation to any time before the coming into force of section 61 of the Criminal Justice and Court Services Act 2000 (abolition of sentences of detention in a young offender institution, custody for life etc), Part 12 of the Criminal Justice Act 2003 (sentencing) has effect with the following modifications.

(2) In section 224A (life sentence for second listed offence)—

(a) in subsection (2), after "imprisonment for life" insert "or, in the case of a person aged at least 18 but under 21, custody for life", and

(b) in subsection (3), after "more" insert "or, if the person is aged at least 18 but under 21, a sentence of detention in a young offender institution for such a period".'.—*(Mr Djanogly.)*

Brought up, and added to the Bill.

New Schedule 6

'NEW EXTENDED SENTENCES: CONSEQUENTIAL AND TRANSITORY PROVISION

PART 1

CONSEQUENTIAL PROVISION

Juries Act 1974 (c. 23)

1 In Part 2 of Schedule 1 to the Juries Act 1974 (persons disqualified from jury service) in paragraph 6(d), before "227" insert "226A, 226B,".

Rehabilitation of Offenders Act 1974 (c. 53)

2 In section 5 of the Rehabilitation of Offenders Act 1974 (sentences excluded from rehabilitation under that Act) in subsection (1)(f), before "227" insert "226A, 226B,".

Criminal Justice Act 1982 (c. 48)

3 In section 32 of the Criminal Justice Act 1982 (early release of prisoners) in subsection (1)(a), before "227" insert "226A or".

Road Traffic Offenders Act 1988 (c. 53)

4 In section 35A of the Road Traffic Offenders Act 1988 (extension of disqualification where custodial sentence imposed as well as driving disqualification) in subsection (4) after paragraph (d) insert—

"(da) where section 226A of that Act (extended sentence for certain violent or sexual offences: persons 18 or over) applies in relation to the custodial sentence, a period equal to two-thirds of the term imposed pursuant to section 226A(5)(a) of that Act after that term has been reduced by any relevant discount;

(db) where section 226B of that Act (extended sentence for certain violent or sexual offences: persons under 18) applies in relation to the custodial sentence, a period equal to two-thirds of the term imposed pursuant to section 226B(3)(a) of that Act after that term has been reduced by any relevant discount;".

Powers of Criminal Courts (Sentencing) Act 2000 (c. 6)

5 The Powers of Criminal Courts (Sentencing) Act 2000 is amended as follows.

6 In section 76 (meaning of "custodial sentence") in subsection (1)(bc) after "section" insert "226B or".

7 (1) Section 99 (conversion of sentence of detention to sentence of imprisonment) is amended as follows.

(2) In subsection (3), omit the words from "; and" to the end.

(3) After that subsection insert—

"(3A) Where the Secretary of State gives a direction under subsection (1) above in relation to an offender serving an extended sentence of detention imposed under Chapter 5 of Part 12 of the Criminal Justice Act—

(a) if the sentence was imposed under section 226B of that Act, the offender shall be treated as if the offender had been sentenced under section 226A of that Act, and

(b) if the sentence was imposed under section 228 of that Act, the offender shall be treated as if the offender had been sentenced under section 227 of that Act."

(4) In subsection (5)(c), after "section" insert "226B or".

8 In section 100 (offenders under 18: detention and training orders) in subsection (1) after "226" insert ", 226B".

9 In section 106A(1) (interaction of detention and training orders with sentences of detention), in paragraph (b) of the definition of "sentence of detention", after "section" insert "226B or".

Criminal Justice and Court Services Act 2000 (c. 43)

10 The Criminal Justice and Court Services Act 2000 is amended as follows.

11 In section 62 (release on licence etc: conditions as to monitoring) in subsection (5)(f), after "226" insert ", 226B".

12 In section 64 (release on licence: drug testing requirements) in subsection (5)(f), after "226" insert ", 226B".

Sexual Offences Act 2003 (c. 42)

13 In section 131 of the Sexual Offences Act 2003 (young offenders: application), in paragraph (l), before "228" insert "226B or".

Criminal Justice Act 2003 (c. 44)

14 The Criminal Justice Act 2003 is amended as follows.

15 In section 153 (length of discretionary custodial sentences: general provision) in subsection (2) before "227(2)" insert "226A(4), 226B(2)".

16 In section 156 (pre-sentence reports and other requirements) in subsection (3)(a) after "226(1)(b)," insert "section 226A(1)(b), section 226B(1)(b)".

17 In section 235 (detention under sections 226 and 228) after "226" insert ", 226B".

18 In the heading of that section after "226" insert ", 226B".

19 In section 327 (arrangements for assessing etc risks posed by certain offenders: interpretation) in subsection (3)(b)(vi) after "section" insert "226B or".

Offender Management Act 2007 (c. 21)

20 (1) Section 28 of the Offender Management Act 2007 (application of polygraph conditions for certain offenders released on licence) is amended as follows.

(2) In subsection (3)(a) after "section" insert "226A or".

(3) In subsection (3)(f) after "226" insert ", 226B".

PART 2

TRANSITORY PROVISION

21 (1) In relation to any time before the coming into force of section 61 of the Criminal Justice and Court Services Act 2000 (abolition of sentences of detention in a young offender institution, custody for life etc), Chapter 5 of Part 12 of the Criminal Justice Act 2003 (sentencing: dangerous offenders) has effect with the modifications in sub-paragraphs (2) and (3).

(2) In section 226A (extended sentence for certain violent or sexual offences: persons 18 or over), at the end insert—

"(12) In the case of a person aged at least 18 but under 21, this section has effect as if—

(a) the reference in subsection (1)(c) to imprisonment for life were to custody for life, and

(b) other references to imprisonment (including in the expression "extended sentence of imprisonment") were to detention in a young offender institution."

(3) In section 226B (mandatory extended sentence for certain violent or sexual offences: persons under 18), in subsection (7), for "18" substitute "21".

22 (1) In relation to any time before the repeal of section 30 of the Criminal Justice and Court Services Act 2000 (protection of children: supplemental) by Schedule 10 to the Safeguarding Vulnerable Groups Act 2006, that section has effect with the modification in sub-paragraph (2).

(2) In subsection (1), in paragraph (dd) of the definition of "qualifying sentence", after "226" insert ", 226B".'.—*(Mr Djanogly.)*

Brought up, and added to the Bill.

New Schedule 7

'RELEASE OF NEW EXTENDED SENTENCE PRISONERS: CONSEQUENTIAL PROVISION

1 Chapter 6 of Part 12 of the Criminal Justice Act 2003 (sentencing: release and recall) (as amended by Chapter 4 of Part 3 of this Act) is amended as follows.

2 In section 237 (meaning of "fixed-term prisoner" etc), in subsection (1)(b), before "228" insert "226B".

3 In section 238 (power of court to recommend licence conditions), in subsection (4), after "Sentencing Act" insert "or section 226B".

4 In section 240ZA (time remanded in custody to count as time served), in subsection (12)—

(a) in paragraph (a), after "or section" insert "226B or", and

(b) in paragraph (b), after "or section" insert "226A or".

5 (1) Section 250 (licence conditions) is amended as follows.

(2) In subsection (4)—

(a) before "227" insert "226A or", and

(b) before "228" insert "226B or".

(3) After subsection (5) insert—

"(5A) In respect of a prisoner serving an extended sentence imposed under section 226A or 226B whose release is directed by the Board under section 246A(5), a licence under—

(a) section 246A(5) (initial release), or

(b) section 255C (release after recall),

may not include conditions referred to in subsection (4)(b)(ii) unless the Board directs the Secretary of State to include them."

6 In section 255A (further release after recall), in subsection (7)(a) (meaning of "extended sentence prisoner") after "section" insert "226A, 226B,".

7 (1) Section 260 (early removal of prisoners liable to removal from UK) is amended as follows.

(2) After subsection (2) insert—

"(2A) If a fixed-term prisoner serving an extended sentence imposed under section 226A or 226B—

(a) is liable to removal from the United Kingdom, and

(b) has not been removed from prison under this section during the period mentioned in subsection (1),

the Secretary of State may remove the prisoner from prison under this section at any time after the end of that period.

(2B) Subsection (2A) applies whether or not the Parole Board has directed the prisoner's release under section 246A."

(3) In subsection (5), after "244" (but before ", 247") insert ", 246A".

(4) In subsection (7), before paragraph (a) insert—

"(za) in relation to a prisoner serving an extended sentence imposed under section 226A or 226B, has the meaning given by paragraph (a) or (b) of the definition in section 246A(8);".

8 (1) Section 261 (re-entry to UK of offender removed early) is amended as follows.

(2) In subsection (5)(b) for "or 244" substitute ", 244 or 246A".

(3) In subsection (6), in the definition of "requisite custodial period", before paragraph (a) insert—

"(za) in relation to a prisoner serving an extended sentence imposed under section 226A or 226B, has the meaning given by paragraph (a) or (b) of the definition in section 246A(8);".

9 In section 263 (concurrent terms), in subsection (4), before "228" insert "226B or".

10 (1) Section 264 (consecutive terms) is amended as follows.

(2) In subsection (6)(a) (definition of "custodial period"), before sub-paragraph (i) insert—

(zi) in relation to an extended sentence imposed under section 226A or 226B, means two-thirds of the appropriate custodial term determined by the court under that section,".

(3) In subsection (7) before "228" insert "226B or".

11 In section 265 (restriction on consecutive sentences for released prisoners), in subsection (2), before "228" insert "226B or".'.—*(Mr Djanogly.)*

Brought up, and added to the Bill.

New Clause 18

RULES AGAINST REFERRAL FEES

'(1) A regulated person is in breach of this section if—

(a) the regulated person refers prescribed legal business to another person and is paid or has been paid for the referral, or

(b) prescribed legal business is referred to the regulated person, and the regulated person pays or has paid for the referral.

(2) A regulated person is also in breach of this section if in providing legal services in the course of prescribed legal business the regulated person—

(a) arranges for another person to provide services to the client, and

(b) is paid or has been paid for making the arrangement.

(3) Section [Regulators and regulated persons] defines "regulated person".

(4) "Prescribed legal business" means business that involves the provision of legal services to a client, where—

(a) the legal services relate to a claim or potential claim for damages for personal injury or death, or

(b) the business is of a description specified in regulations made by the Lord Chancellor.

(5) There is a referral of prescribed legal business if—

(a) a person provides information to another,

(b) it is information that a provider of legal services would need to make an offer to the client to provide relevant services, and

(c) the person providing the information is not the client;

and "relevant services" means any of the legal services that the business involves.

(6) "Legal services" means services provided by a person which consist of or include legal activities (within the meaning of the Legal Services Act 2007) carried on by or on behalf of that person; and a provider of legal services is a person authorised to carry on a reserved legal activity within the meaning of that Act.

(7) "Client"—

(a) where subsection (4)(a) applies, means the person who makes or would made the claim;

(b) where subsection (4)(b) applies, has the meaning given by the regulations.

(8) Payment includes any form of consideration (but does not include the provision of hospitality that is reasonable in the circumstances).'.—*(Mr Djanogly.)*

Brought up, and read the First time.

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following: Amendment (a), after first 'paid' in (1)(a), insert

'will be paid, has made an agreement to be paid,'.

Amendment (b), after 'pays' in (1)(b), insert

'will pay, has made an agreement to pay'.

Amendment (c), after first 'paid' in (2)(b), insert

'will be paid, has made an agreement to be paid,'.

Amendment (e), at end of (4)(b), insert—

'(2A) A breach of the provisions of this section shall be an offence, punishable on summary conviction by a fine not exceeding the statutory maximum or on indictment for a term of imprisonment not exceeding two years, or a fine, or both.'.

Government new clause 19—*Effect of the rules against referral fees*—

'(1) The relevant regulator must ensure that it has appropriate arrangements for monitoring and enforcing the restrictions imposed on regulated persons by section [*Rules against referral fees*].

(2) A regulator may make rules for the purposes of subsection (1).

(3) The rules may in particular provide for the relevant regulator to exercise in relation to anything done in breach of that section any powers (subject to subsections (5) and (6)) that the regulator would have in relation to anything done by the regulated person in breach of another restriction.

(4) Where the relevant regulator is the Financial Services Authority, section [*Regulation by the FSA*] applies instead of subsections (1) to (3) (and (7) to (9)).

(5) A breach of section [*Rules against referral fees*]—

(a) does not make a person guilty of an offence, and

(b) does not give rise to a right of action for breach of statutory duty.

(6) A breach of section [*Rules against referral fees*] does not make anything void or unenforceable, but a contract to make or pay for a referral or arrangement in breach of that section is unenforceable.

(7) Subsection (8) applies in a case where—

(a) a referral of prescribed legal business has been made by or to a regulated person, or

(b) a regulated person has made an arrangement as mentioned in section [Rules against referral fees](2)(a),

and it appears to the regulator that a payment made to or by the regulated person may be a payment for the referral or for making the arrangement (a "referral fee").

(8) Rules under subsection (2) may provide for the payment to be treated as a referral fee unless the regulated person shows that the payment was made—

(a) as consideration for the provision of services, or

(b) for another reason,

and not as a referral fee.

(9) For the purposes of provision made by virtue of subsection (8) a payment that would otherwise be regarded as consideration for the provision of services of any description may be treated as a referral fee if it exceeds the amount specified in relation to services of that description in regulations made by the Lord Chancellor.'.

Amendment (a) to new clause 19, leave out subsection 5.

Amendment (b), leave out from 'services' in (8)(a) to end of paragraph (b) and insert

'but only where the consideration was proportionate and reasonable in the circumstances.'.

Government new clause 20—*Regulation by the FSA.*

Government new clause 21—*Regulators and regulated persons.*

Government new clause 22—*Referral fees: regulations.*

Government amendment 139.

Mr Djanogly: New clauses 18 to 22 seek to prohibit the payment and receipt of referral fees in personal injury cases by regulated persons, namely solicitors, barristers, claim management companies and insurers.

I pay tribute at the outset to the work of the right hon. Member for Blackburn (Mr Straw) in pursuing the case for a ban on referral fees. I know that there are some differences between us about the detail of how we should implement the ban—we will come to his amendments in due course—but those differences of detail should not obscure our agreement in principle on tackling this important issue. I acknowledge his efforts in this regard.

I must also mention the consistent campaign by the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith) as Chair of the Justice Committee, who has also been a very keen supporter of the ban. I note that last week his Committee formally welcomed our commitment to the ban, which will be implemented by these clauses. I should also acknowledge the work of the Transport Committee, chaired by the hon. Member for Liverpool, Riverside (Mrs Ellman), before whom I was privileged to appear last month.

My right hon. and learned Friend the Secretary of State for Justice announced the Government's intention to ban the payment and receipt of referral fees in personal injury cases by way of a written ministerial statement to the House on 9 September 2011.

I strongly believe that the current arrangements under which lawyers and others are able to pay and receive fees for referring work have led to both higher costs and the growth of an industry that pursues claimants for profit. By introducing the new clause, the Government are taking decisive and much needed action to remove these incentives.

Right hon. and hon. Members will be aware that Lord Justice Jackson recommended that referral fees should be banned as part of his comprehensive package of recommendations to make the costs of the civil litigation more proportionate and this recommendation was echoed by Lord Young in his report "Common Sense Common Safety". The Bill already includes provisions to implement the other key elements of those recommendations. The referral fees ban under our new clause will complement the wider Jackson reform already in the Bill by further reducing the costs of personal injury litigation and deterring frivolous or unnecessary claims from being pursued in the courts.

The new clause creates a regulatory offence for any breach of the prohibition. It will be for the appropriate regulators, for example the Law Society, the Financial Services Authority or the claims management regulator, to enforce the prohibition. The regulators will also be responsible for taking appropriate action against regulated persons for any breaches. We have thought carefully about how to ensure that all the main players, including insurers, are captured by the ban, which is why there is a separate clause, new clause 20, giving the Treasury powers to make regulations allowing the FSA to enforce the ban under its existing regulatory powers.

There have been calls from some people, but not most people, for the payment and receipt of referral fees to be made a criminal offence. Not least among those who have called for that is the right hon. Member for Blackburn, who has tabled amendment (e) to that effect. We considered

[Mr Djanogly]

the matter carefully but believe that creating a criminal offence would be a very blunt instrument in this case. One would have to prove beyond reasonable doubt that consideration had changed hands for the referral of a potential claimant, but the grounds for determining whether something was or was not a referral fee could be blurred. It would be very difficult to convict in many cases on the basis of the complexity of those arrangements. That is why we consider a regulatory offence to be more appropriate, whereby the principle of what is happening can be looked at by the regulator and a view can be taken.

I am conscious that a criminal offence would impose additional costs on the police and the courts in investigating and enforcing a ban. I believe that a regulatory prohibition covering all the main players in the sector, including lawyers, claims management companies and insurers, is the most appropriate and effective response to the issue. I am confident that the industry regulators are best placed to investigate and enforce the regulatory ban.

Sir Alan Beith: As my hon. Friend has indicated, I strongly support the action he is taking, but is it not the case that in many of those circumstances a criminal offence may well have been committed by way of a breach of the Data Protection Act 1998? The problem then is that custodial sentences are not available for someone who is doing that on a large scale and making a great deal of money by releasing personal information and committing a criminal offence.

Mr Djanogly: My right hon. Friend makes a good point. It is not one that is covered by the Bill, but it is something that the Government are looking into, and I hope that there will be further developments on that in due course.

Mr Straw: I thank the Minister for the generous compliment he paid me, for which I am most grateful. There are plenty of situations relating to financial institutions in the widest sense when conduct might be the subject of a regulatory breach enforced by the regulators, but in more severe cases it could also be a criminal offence. It is a matter of belt and braces. Frankly, I do not understand why he is suggesting that those are alternatives when one complements the other.

Mr Djanogly: The reason is that criminalisation would be too blunt an instrument. If we take the example of the straight payment of a fee for a referral, I can see how straight criminalisation would work, but we should appreciate that when that was last banned in 2004 it was a weak provision through which a coach and horses could be driven. What if an insurance company provides insurance to a solicitor in payment for referrals, rather than a straight fee? What if a trade union gives its cheap work to a firm of solicitors in consideration for the solicitors getting its better work? What if a claims management company provides a variety of services to a solicitor in payment for a referral? The point I am making is that the circumstances could be very varied and complex and the straight criminal option would not be appropriate. It would be the principle that counts and it would have to be a regulator that looks to the principle.

We are primarily concerned with removing incentives under the current system with regard to personal injury claims, which is why we are banning referral fees in that area. However, the Lord Chancellor may in future extend by regulation the prohibition on referral fees to other types of claim and legal services and other providers of legal services should the need arise and if the case is made for such an extension.

Kate Green: Is the Minister not concerned that that might introduce an element of uncertainty? Although I note what he says about the possibility of extending the provisions to other structures in future, is he not aware that alternative business structures will now be set up by large companies to get around the provisions? How will he address that?

Mr Djanogly: Alternative business structures will be set up by the Solicitors Regulation Authority, probably before or just after the end of this year, so the hon. Lady makes an important point. At that stage, claims management companies will be able to purchase solicitors, and vice versa, which means that it would indeed be possible, as we discussed in the Transport Committee, for a claims management company to own a solicitor and effectively act as the advertising arm of a firm of solicitors. However, the important difference is that the claims management companies will then be regulated by the SRA, which will give consumers a significant amount of comfort.

Referral fees are one of the symptoms of the compensation culture in this country. The Government are determined to put an end to them while at the same time addressing the underlying cause of recoverability of no win, no fee success fees.

Mr Andy Slaughter (Hammersmith) (Lab): Following what my right hon. Friend the shadow Secretary of State for Justice said earlier this afternoon, I rise to discuss proposals that have not been given due scrutiny in Parliament. We are all aware that the Government were bounced into taking action on referral fees only by the sustained campaigning by my right hon. Friend the Member for Blackburn (Mr Straw). In their haste to cover up their inaction and disregard of the abuses of the insurance industry, they have failed to consult on their proposals, which are incompetent, ineffective and will lead to problems further down the line. Indeed, it was reported this week that a judicial review has already been launched citing that lack of consultation.

Referral fees are paid by one party to another in exchange for what are essentially sale leads. They are analogous to brokers' fees, commission for salespeople, marketing agreements or, in the most basic sense, advertising, because each of these represents part of the cost of sales. Every non-monopolistic industry has a cost of sales. Let me take the example of the insurance industry, an industry with which the Minister has more than a passing familiarity. Admiral is the UK's leading specialist motor insurance company. Last year it received net insurance premium revenue of £288 million, but its total net revenue was £639 million, part of which was made with referral fees. It spent £151 million on the acquisition of insurance contracts and other marketing costs, including brokers' costs, paying insurance websites and expensive advertising. Those costs drive up premium

costs and the desire to make profit also drives up premium prices—Admiral made £283 million in profit last year on its net revenue of £639 million. That is how it works in the insurance industry.

It works in a similar way when law firms pay independent brokers, some of which are known as claims management companies, another area with which the Minister has more than a passing familiarity. They will pay referral fees in order to get leads for their practice. The lawyers often do this because, frankly, they are not very good at sales, marketing or advertising. However, the problems arise in the behaviour that that encourages. Although there are reputable and decent claims management companies out there that bring together those who want help with those who can provide it, there are also many claims farmers, often based overseas, that abuse the system, send unsolicited spam to people's e-mail accounts and mobile phones and abuse their data.

It is right to deal with people who act in such a way, but the claims management regulator, which until a few weeks ago was the Minister, but which I understand is now the Secretary of State, has proven singularly unable to do so. An internal review of claims management regulation from the Ministry of Justice, dated 25 October 2011—just last week—states:

"It is evident that many of the more objectionable practices of Claims Management Companies such as cold calling in person, unauthorised marketing in hospitals and using exaggerated marketing claims have been reined in as a result of action taken under CMR."

Nothing could make clearer what delusions have set in with claims management regulated by the Minister, because we all know from personal experience that the opposite is true and that such abuse is still out there at large and, if anything, is increasing. Our constituents are harassed by claims farmers, and their objectionable messages, but the Department that he has mismanaged for the past year and a half believes it is doing an excellent job. That is why we must take corrective action.

6.30 pm

Mr Kevan Jones (North Durham) (Lab): I note what my hon. Friend is saying about the claims regulatory authority, but my experience at the tail end of the miners compensation scheme was that it was effective in driving out of the industry some of the more unscrupulous claims management companies, which were often just front companies that wound up as soon as they had passed the claims on. I caution my hon. Friend not to be too harsh on it.

Mr Slaughter: I am grateful for my hon. Friend's intervention. I am sure that some companies have been driven out of business, but the everyday experience of hon. Members, and certainly of our constituents, is that the industry is not properly regulated, which is why corrective action must be taken. However, the proposals in the Government's new clauses are, I fear, insufficient. They are riddled with inconsistencies and loopholes, which is another symptom of the haste with which they were prepared.

I will deal with the point that the Minister dealt with. New clause 19(8) states that a payment is

"to be treated as a referral fee unless"

it can be shown

"that the payment was made...as consideration for the provision of services, or...for another reason".

The Minister's impact assessment explains what that means. Claims management companies may adapt their business models so that they are not reliant on referral fees paid by lawyers, or they may move into alternative types of business such as marketing or advertising. That is staggering to those of us who recognise that it is precisely that marketing and advertising, whether on daytime TV adverts or via spam messages, that lead to perceptions of a compensation culture.

What is the point of the new clauses? The truth is that they are an afterthought to a package of changes in the Bill, some of which we will debate tomorrow, that have far more bite but a different purpose. The changes to conditional fee agreements mean that losing defendants—wrongdoers—and their insurers will benefit at the expense of winning claimants—victims—and that is the real objective of the Government's legislation. Tomorrow, we will seek to overturn those provisions.

As Bob and Sally Dowler have told us; as the lawyers that brought Trafigura to justice have told us; as victims of asbestosis, who have been fighting insurers that simply do not want to pay out to hard-working and long-suffering people; as those who have been unfairly dismissed or subject to harassment in the workplace have told us; and as Christopher Jeffries, who was persecuted by the media last Christmas, as he wrote in *The Guardian* this very day, has told us, the changes are unacceptable. The Government's proposed changes, which they had thought about and on which they had taken instructions from the insurance industry, are in the Bill, but very little thought has gone into the new clauses before us today, and none would have gone into them had it not been for my right hon. Friend the Member for Blackburn.

In summary, we believe that there is merit in a ban on referral fees as part of a package to stop the abuses that I have talked about. That is why I tabled amendments not just to clamp down on those fees, but to make the payment and solicitation of referral fees in road traffic accident personal injury cases a criminal offence. My right hon. Friend has tabled amendments to new clause 18, and I hope that he will press them to a vote. If he does so, I hope that hon. Members on both sides of the House will join him in the Lobby if the Government still refuse to accept the criminalisation of referral fees.

We sought to make unsolicited text messages and phone calls regarding personal injuries a criminal offence. We would have strengthened the rules against the sale of personal data. We would have restricted whiplash claims by placing a lower limit on the speed at which a vehicle must be travelling before damages may be paid. We would have outlawed third-party capture, another dirty secret of the insurance industry. I freely acknowledge that we plagiarised some of that from my right hon. Friend's private Member's Bill.

If the Government had had the courage of the conviction in the Minister's speeches earlier in the year, we would have got to the heart of the perception of a compensation culture. In doing so, we would have done what the Government are now failing to do. The new clause alone will have little effect. We believe that it deserves further scrutiny, and we hope that amendments in another place will toughen it up, if that does not happen tonight. We also hope that amendments to make these practices criminal offences will be accepted. We therefore have no intention of voting against the new clauses; we simply regard them as not going far enough.

[Mr Slaughter]

The Minister's incompetence in getting to grips with claims farmers who engage in unscrupulous practices and his Department's failure even to recognise the scale of their failure to regulate effectively have got us here. These are symptoms not of a litigation culture, as he would have us believe, and of the rhetoric that goes along with the cuts in legal aid to the poorest, as well the neutering of no win, no fee agreements which will affect almost everyone except the super-rich and will prevent access to justice, but of regulatory incompetence by the Minister's Department. Indeed, he has now surrendered responsibility for that regulation.

I commend my right hon. Friend's amendments to the House. We accept the new clauses as far as they go, but it is about time the Government stopped using their rhetoric as a mask for preventing victims from obtaining justice and used it to ensure that the abuses that we all put up with day to day from fraudulent and criminal practices are stamped out.

Tom Brake (Carshalton and Wallington) (LD): I shall be brief. I welcome the Government's action to address referral fees. There is no doubt that consumers have paid a significant price. I hope that we can clamp down heavily on other things, such as unsolicited text messages and spam, which we have all experienced, through other measures such as those on data protection.

I would like the Minister to deal with just one point. The industry has been pressing for these changes, and consumers in particular want to understand what guarantees, if any, they will have that when the changes have taken effect they will see a difference in the prices they pay for services.

Mr Straw: As a preliminary, I wish to draw the House's attention to the fact that against my name on the amendments relating to referral fees there is an R, which indicates that I have a declarable interest. It arises from three engagements that I undertook for fees on matters relating to referral fees and the motor insurance industry generally. They were on 28 September, 12 October, and earlier today. In respect of the first two, I have made a declaration to the Registrar of Members' Financial Interests, who told me that because I have not yet received payment, the time for these is not yet running. The declaration for my engagement this morning will be made tomorrow.

I tabled amendments to new clauses 18 and 19 and, as my hon. Friend the Member for Hammersmith (Mr Slaughter) indicated, in the absence of a sudden Pauline conversion from the Government Front Bench between now and when the question is put, I shall press amendment (e) to new clause 18 to a vote.

According to the AA, over the year to March 2011, there has been a 40% increase in motor insurance premiums. In many areas of the country, mine included, although it is by no means the worst, the increase has been even higher. As a number of colleagues of all parties have pointed out, that has very severe social consequences.

May I say that I am extremely grateful for the wide support that my Motor Insurance Regulation Bill has had throughout the Chamber? Motor insurance is the only insurance affecting an individual that is compulsory, and in certain areas and for certain categories, particularly younger drivers, premiums are now so high as to place motor insurance out of reach altogether. A driving licence is often a necessary qualification for taking a job. In any case, people in areas that are not blessed with a high level of public transport, which means most places outside inner urban areas, need a motor vehicle to go about their business. The increase in premiums, and the fact that they are much higher in some areas than others, is leading to some people not being able to work or move around.

The increase is also unquestionably leading to an increase in criminality, both through people going around uninsured and, increasingly, through people deciding to borrow a friend's address with a lower-premium postcode. People also fail to disclose relevant information about themselves, to enable them to become insured. It cannot serve any public purpose that we have ended up with such a dysfunctional system.

I readily concede that that has happened because of a nexus of factors going back a number of years. The operation of the conditional fee system was introduced in the Access to Justice Act 1999 for good a reason: it was thought that it would improve access to justice. To some extent that has certainly been true, but as we all know, it has had the unintended consequence of generally —I am not talking the Trafigura case or one or two others—creating an imbalance in the equality of arms between parties on either side of a legal action. It has gratuitously encouraged the so-called compensation culture.

That, in turn, has been compounded by the costs of the road traffic accident electronic portal being too high. In a recent statement, the Minister said that the figure that was introduced when I was Secretary of State had been agreed in the Civil Justice Council. It was agreed to by both sides, which was why I did not interfere with it. I believe there is now widespread agreement that the current fee, of at least £1,200 for claims under £10,000, is at least twice as high as it should be. It is leading to lawyers advertising as two firms at the end of my street in Blackburn do: they have great banners across their windows saying, "Bring your claim in here, we'll pay you up to £650 in cash for it." They can do that and still make a profit out of the £1,200, because the actual costs of running the portal are about £100.

Claims for whiplash, which I have described as an invention of the human imagination, undiagnosable except by dodgy doctors employed by claims management companies, have got completely out of control. The level of whiplash claims is not related to the level of accidents or physical injuries. Accidents are reducing, as is the possibility of being injured in an accident, because cars and road engineering are much safer. It is related principally to the density of claims management companies operating in a particular area. The evidence of that is incontrovertible.

I concede to my hon. Friend the Member for North Durham (Mr Jones) that the regulators have acted properly on claims management companies in some ways, but the regulatory system established under the Compensation Act 2006, during our Administration, has not had sufficient resources to control the trebling in the number of claims management companies that has taken place in recent years.

Another change that took place was in the 2004 solicitors conduct rules, which allowed solicitors to pay referral fees that were previously banned. I will come back to that point when we deal with the enforcement of a ban on referral fees.

Sir Alan Beith: I very much welcome all the effort that the right hon. Gentleman has put into this matter. I hope that in talking about referral fees, he will recognise that although he has devoted a lot of his effort to motor insurance, the same problems affect the cost to consumers in numerous other areas, such as employment law, conveyancing and divorce—all areas in which quite large sums change hands.

6.45 pm

Mr Straw: I absolutely agree. I began this journey because of constituents' concerns about motor insurance, and my private Member's Bill specifically concentrates on that, but I accept entirely what the right hon. Gentleman has been saying for such a long time and what his Justice Committee said in the report that it published two weeks ago—that the ban on referral fees must be extended beyond personal injury cases.

Jonathan Evans (Cardiff North) (Con): I am anxious for the right hon. Gentleman to reflect on his point about the change in the solicitors rules in 2004. It is important that the House considers the fact that up until that time, referral fees were banned by the Law Society. It was the intervention of the Office of Fair Trading that resulted in the Law Society changing that rule and recommending the creation of a marketplace, which he has rightly described as later becoming a full-scale scam.

Mr Straw: I said earlier today outside the House that I believe the reason why the OFT has decided rather late in the day to hold an investigation into market conditions in the motor insurance industry is that it is deeply embarrassed by the position that it took in 2004. In no sense could it be said that referral fees encourage fair trading. They are essentially a fraud on the consumer. Lord Justice Jackson, in his magisterial report, completely demolished the OFT's case in favour of referral fees.

The other body that should examine its processes is the Legal Services Board. I accept readily the reason why the Secretary of State felt obliged to wait for its consideration of referral fees, but its consumer panel released the most extraordinary report stating that referral fees worked in the public interest. If we examine the basis of its research, we find that a third of the people whom it surveyed had received compensation for things like whiplash.

On any objective consumer evidence, and there is plenty of it, it is perfectly plain that the public collectively do not like what they are learning about how the wider insurance industry operates. They reckon they are being defrauded, and that is absolutely true. In motor insurance, for example, a conservative estimate is that at least £2 billion of the total premium income of £9 billion is additional costs caused by the merry-go-round of referral fees.

Mr Kevan Jones: My right hon. Friend is correct that in 2004, referral fees were put on a legal footing. However, many years before that it was quite clear that referral fees were being paid in various guises. My hon. Friend the Member for Bassetlaw (John Mann) and I raised the scandal that was going on in the miners' compensation scheme. When we were arguing for that practice to be banned, the Government of the time did not do a great deal about it.

Mr Straw: The Government should have done, and as I have sometimes said in respect of that period, my alibi is that I was abroad. I am the last to suggest that the problem has been created by the current Government. I accept that although the Labour Government did many wonderful things, the consequence of a number of things, some of which we introduced and some of which, such as the OFT report, were forced on us, has been the creation of a dysfunctional system.

Mr Jones: Will my right hon. Friend give way again on that point?

Mr Straw: Very briefly, but others wish to speak.

Mr Jones: The fact that this has become an issue for middle England is quite ironic, but I am angry that when my hon. Friend the Member for Bassetlaw and I raised it in respect of poor mining communities, people did not think it was a great priority. Does my right hon. Friend agree that it is ironic that if we had tackled the problem at that time, the scandals in the motor industry that he has outlined would have been put to bed years ago?

Mr Straw: That might be so—it is good to know that my constituency is representative of middle England.

Similarly unacceptable practices take place in motor repairs. In bottom-line referrals, accident management companies require repairers to give them a discount of up to 25%. The repairers then increase their prices to take account of that bottom-line referral fee. Royal and Sun Alliance outrageously practised a type of subrogation whereby it set up an internal subsidiary, which contracted repairers for, say, £1,000 for a repair, and then added 25%, which was charged to the main company—RSA Ltd—which then charged the at-fault insurer. Product mandating is another unacceptable practice. Deals are struck with, for example, paint manufacturers, and repair companies are required to use specific brands of paint. That has led to a 67% increase in the cost of paint since 2003.

We must act on all those matters, and I hope the Minister will say briefly what will happen on the RTA portal if he gets the chance. I know that he has indicated that he hopes to take action, but is he sympathetic to what I suggest in respect of whiplash and many other matters?

I come now to the issue between the Minister and me. I welcome new clause 18, and I am grateful to the Secretary of State and the Minister for introducing it. However, for my hon. Friend the Member for North Durham (Mr Jones), the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith) and I, there are two issues. First, in my judgment, the breadth of the ban must go wider than personal injury claims. It could be excluded in one or two discrete areas, but in the generality of cases, as the right hon. Gentleman said—he has a great deal of experience—abuse also happens elsewhere.

[Mr Straw]

Secondly, on the question of whether there should be a criminal offence, I noted what the hon. Member for Cardiff North (Jonathan Evans) and my hon. Friend the Member for North Durham said about what happened before 2004, and in a sense, they have made my point. My understanding is that the prohibition on solicitors charging referral fees was in the solicitors conduct rules and that it was not a criminal offence. Those rules changed; it was not that a criminal offence was abolished. I am glad that the Secretary of State proposes to make greater use of the regulatory authorities, and I would not for a moment suggest that that is unnecessary, because it is very necessary. However—this is where, with respect, I found his argument least convincing—there are many other areas of regulation, including, for example, of financial institutions, when conduct that is in clear breach of regulations leads to both a fine or penalty by civil regulatory authorities and a criminal offence. That is particularly true given the vicarious liability requirements imposed by section 7 and others of the Bribery Act 2011.

I applaud what the Secretary of State is doing as far as it goes, but for the life of me, I simply do not understand why, given that he recognises the inadequacy of the 2004 regulatory system and many other things, he does not back that with the criminal law.

Stephen Phillips (Sleaford and North Hykeham) (Con): I refer the House to my entry in the Register of Members' Financial Interests.

Given the right hon. Gentleman's wide experience, can he detect any pattern in relation to those matters where an action by a regulated body constitutes something that could lead both to regulatory action by the regulator and to criminal sanction under the statutes? If so, it would be interesting to know which side of the line the new clause and the matters to which it refers lie.

Mr Straw: The hon. and learned Gentlemen may have noticed that I need to research that point, but I have in the back of my mind a number of cases where breaches of regulations are dealt with both by the regulator and in criminal proceedings. He is experienced in the law and will know that plenty of criminal offences are also civil wrongs of some kind in common law or by regulations.

Sir Alan Beith: The right hon. Gentleman has an arguable case on the merits of a back-up criminal offence, but will he concede that the system proposed by the Government can be made to work, because it combines the regulatory framework with the criminal offence behind it, particularly if there is a custodial sentence? The data protection offence, which lies behind the Government's proposal, is already a criminal offence.

Mr Straw: Christopher Graham, the distinguished Information Commissioner, made the point that one reason why the penalty for breach of section 55 of the Data Protection Act needs to be increased—as it is by sections 77 and 78 of the Criminal Justice and Immigration Act 2008 to a maximum of two years imprisonment or an unlimited fine—is to send a message to people in those industries that they could end up in prison if they go in for an egregious breach. Of course, other breaches of data protection rules could mean that an organisation loses its licence, but in extremis, we need criminal proceedings for a criminal offence.

My view is that the same must apply in respect of breaches of the law banning referral fees. My amendment (e) would produce exactly the same penalty—it is entirely proportionate—as applies under sections 77 and 78 of the 2008 Act, which I hope the Government bring into force quickly given that they are already on the statute book. With that, and because I know that many others wish to speak, I thank Members on both sides of the House for the support that they have given to my campaign, and commend the amendment to the House.

Damian Hinds (East Hampshire) (Con): It is a great pleasure to follow the right hon. Member for Blackburn (Mr Straw), who put his case so comprehensively and convincingly.

I should like to speak briefly in support of the Government's position and to ask a question of clarification. Clearly, referral fees and how they work have contributed enormously to the insurance costs of people in Blackburn, East Hampshire, middle England—wherever that is—and everywhere else, and change is needed. We had a strange mini-debate in the Public Bill Committee evidence-taking session on whether there was a compensation culture in this country. Some Opposition Members suggested that there was not and cited the noble Lord Young of Graffham in defence of their case, which is rather a tricky one to argue. Anyone who has received those annoying automated phone calls and text messages, or who has even a glancing familiarity with daytime television, can say that it is intuitive and self-evident that there is a compensation culture.

I understand that one of the original reasons for introducing referral fees was to allow an online market to develop—it was said that that would be a good thing because it might increase competition and access to justice. I shall come back to the online market element in a moment, but the claim that referral fees improve access to justice is at best grossly exaggerated. It might well be that approaching a solicitor with such a case was foreboding 20 years ago, but it is not now, following the development of no win, no fee cases and so on.

It is difficult to say exactly how big the claims management company sector is, but it might be of the order of £0.5 billion, which is enormous. There is nothing wrong with making money, but from a public policy perspective, we must draw a distinction between activities that add value to the individual and those that just take a share of the value chain and ultimately push up costs for everybody else. That is combined with the natural distaste that we have for selling people's cases as some kind of commodity. The hon. Member for Stretford and Urmston (Kate Green) referred to the ability of industry players to shape-shift. I think that the new clause would effectively prohibit subcontracting, but not, of course, mergers and acquisitions, which would simply create a new form.

7 pm

I want, however, to talk specifically about the online marketplace. There is a sliding scale with referral fees: at one extreme, we have ambulance chasers, insurance companies and garages selling hot leads, while at the other end of the scale, we have a Google search, for

which, in a sense, a referral fee is also paid. Somewhere in the middle are the trade unions, with the Labour party having, of course, enjoyed significant income from referral fees. However, I want to talk about the online aspect. Presumably, nobody would object to a Google search fee as a marketing cost, but it is in the nature of these industries—we see it with cost comparison websites, for example—that consolidated intermediaries emerge who pay the search engines a certain amount of money, but then charge the customer, which in this case would be the law firm, a greater amount of money. Does that count as a referral fee? Given that technology for consumer targeting improves over time, it might be possible, on social media for example, to identify people likely to have had a recent accident. That would involve a much higher marketing cost per contact, but would it count as a referral fee?

I hope that the Minister can clarify exactly how the regulations are intended to work. Obviously, that would be a matter for the regulator, but I am keen to hear the Government's intention.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): I welcome tonight's discussion about action on referral fees. In March, the Transport Committee produced a report in which we investigated the reasons for the 40% increase in premiums for private motor insurance. We identified referral fees as one of the reasons. The others included cold calling, inflated bills, high accident rates among young people, fraud and uninsured driving. However, I seek clarification on two areas from the Minister, although some of these points have been raised in earlier contributions.

The first issue is the scope of the Government's proposals. The Committee's report referred to the merry-go-round of referral fees and identified not only solicitors, but credit hire firms, vehicle repairers, medical experts and management accident firms. I am not clear from the Minister's explanation of the new clause whether all, or some, of these organisations will be included in the proposals. If we are looking at referral fees as a reason for the greatly increased costs of motor insurance premiums, it is not good enough to look only at solicitors; we have to look at all these other areas as well.

The second area relates to how companies would be prevented from finding ways of avoiding the new legislation. When the Committee conducted its first inquiry on this issue, we received evidence that if referral fees were banned claims management companies would buy solicitors' practices and, under the plans for alternative business structures, it could be normal for non-legally qualified individuals to do so. On the face of it, it seems that there would be an easy way of avoiding the legislation. I have not heard anything in detail about how that would be addressed. The Minister is correct that he was asked that question when he came before the Committee two weeks ago, but we received no clear explanation of how the issue would be addressed.

Those are the points that I wished to raise tonight. I know that I shall have other opportunities to look more broadly at the rising costs of motor insurance, but tonight, in this debate on action to be taken over referral fees, I ask for further explanation about how the Government's proposals will deal with those two important points.

Bob Blackman (Harrow East) (Con): I, fortunately, have not been the victim of a car crash or accident at work, although, judging from the volume of texts, e-mail messages and voice calls to my mobile and home phone one might believe that I was confined to a hospital bed or wheelchair. This is one of the aspects that have to be combated in legislation. I therefore support what the Government are doing in trying to prevent this type of activity, although I would like clarification from the Minister on three issues.

My hon. Friend the Member for East Hampshire (Damian Hinds) alluded to the first matter: the definition of "referral fee" and the potential for people to get around it. That is rather important, particularly given that it has been suggested that we make it a criminal offence. While the definition lacks clarity, it will be difficult to make it a criminal offence.

The second important issue is fairness for the individual. If a victim of an accident—for example, someone who has suffered a spinal injury—goes along to their high street solicitor for advice and help, the firm might decide to give that help and advice and start the case, but somewhere along the line it might determine that it does not have the expertise necessary and refer it to an expert solicitor who deals with nothing but such claims. How will the first solicitor be recompensed for their work, if they cannot claim a referral fee? I would like clarification on that point, because, quite clearly, that would require a great deal of professional work for which the solicitor might not receive any recompense. That needs to be clarified.

Mr Straw: Surely, the firm would get paid for the costs it had incurred. Indeed, it would not pass on the file until its costs had been paid. Does the hon. Gentleman accept that a further defect of referral fees is that they might skew the judgment of the first solicitor advising the client on the best firm to go to? The solicitor might make a decision on the basis not of which is the best firm, but of which is likely to pay the biggest referral fee.

Bob Blackman: The other problem is that if solicitors did not believe that they would get paid for the work, they might hang on to the case and take it to conclusion, despite not being an expert. That presents a huge risk to the individual, who possibly has a case.

Mr Slaughter: I agree entirely with my right hon. Friend the Member for Blackburn (Mr Straw). To put it slightly differently, the hon. Gentleman is quite right that firms might want to hang on to work even after it goes beyond their expertise, so an inducement to pass it on might work. I am not saying that in favour of referral fees, but it does happen, and we have to be aware of it.

He is absolutely right about the definition of referral fees. When the Minister announced, rather hastily, in response to my right hon. Friend, that the Government were banning them, he admitted that he could not define "referral fee". The hon. Gentleman is absolutely right, therefore, that a number of problems still need to be resolved, but those are questions that he should be putting to his Front Bench team. He should be asking why they have not sorted out these matters, including on his point about text messages.

Bob Blackman: As I said, I hope to get clarity at the conclusion of the debate, because this is clearly a problem. I would like these illicit text messages and such like to be criminalised, because they are clearly an abuse of the law. Indeed, as my right hon. Friend the Member for Berwick-upon-Tweed (Sir Alan Beith) said, they should be criminalised already under the Data Protection Act, because they constitute an abuse of personal data.

I seek clarity on a third issue: the effect on claims management companies of banning referral fees. I sought advice from Accident Advice Helpline, which is based in my constituency. It informs me that only one in six of its 36,000 cases last year were referred to solicitors, with the rest being screened out. Of those, 70% led to a settlement, with 15% dropped owing to "no involvement". I could go through all the details of the data, but the reality is that Accident Advice Helpline screens the cases, which costs money. If Accident Advice Helpline does not do that, other solicitors will have to do it, at a cost to themselves. I would therefore like some clarity on what the effect will be and how it is proposed that those companies will be funded so that they do not fall foul of the regulations.

Kate Green: I, too, am keen to ask the Minister some questions, similar to those put by the hon. Member for Harrow East (Bob Blackman).

I completely share other hon. Members' concerns about securing much better protection for the consumer, but given that the amendments have been introduced rather hastily I hope that the Minister will assure us that there will be a level playing field for different business types and, in particular, that access to independent legal advice from independent solicitors will be protected for claimants.

I therefore seek a fuller explanation from the Minister of how it is intended that referral fees will be defined. Specifically, to what extent does he see marketing activity by solicitors and others as covered—or not covered—by the provisions? For example, as has already been suggested, if a high street solicitor takes on some work, but realises that he or she does not have the expertise to pursue the case and therefore refers it to another solicitor and arranges some form of fee sharing, how is it intended that this should be treated under the provisions? Some solicitors have grouped together to pool their marketing budgets. Is the intention of the Minister's amendments to outlaw pooled marketing completely or to cover it in regulation? It would be useful to have some clarification on that.

I welcome what the Minister said in answer to my earlier intervention about alternative business structures, but I am curious to know what his assessment is of the possibility that more and more large claims management companies will seek to handle all such business in-house and will stop using the services of other legal firms or legal experts. Has he made any assessment of the possibility of the provision of such services being concentrated in a way that reduces consumer choice and independent advice, and will he say what steps he might take to address that?

Mr Kevan Jones: I welcome the banning of referral fees, and I congratulate the Minister and the Government on doing it. The scandal is that, frankly, it should have been done years ago. My hon. Friend the Member for Bassetlaw (John Mann) and I campaigned hard to expose the scandal surrounding the miners compensation scheme, which created a feeding frenzy not just for solicitors but for claims management companies. As I have said before—and to answer the hon. Member for Harrow East (Bob Blackman)—I frankly do not care if they all go bust, because they are not needed in this process. If people need legal advice, they go to a solicitor. Claims management companies have acted like parasites on the access to justice model that we have had in this country for many years.

I find it ironic that my right hon. Friend the Member for Blackburn (Mr Straw) said that I was referring to Blackburn as a middle England constituency, because I was not. The fact of the matter is that my hon. Friend the Member for Bassetlaw and I, along with one or two other Members, argued hard about the scandal surrounding the miners compensation scheme. One of the key points was referral fees and the amount of money received not only by solicitors but by unscrupulous trade unions and unscrupulous claims handling companies. The issue was regulated in 2004, with referral fees being made legal. However, in the case of the miners compensation scheme it was quite obvious that referral fees were being paid and that the Law Society was turning a blind eye—I always refer to the Law Society as the best trade union in the world, because it does such a good job of protecting its self-interest.

7.15 pm

In the case of the miners compensation scheme, it was an absolute scandal that claims managing companies were springing up like the morning dew, but then disappearing as soon as they had, as it were, harvested the claims in an area, which they did in two ways. There was no internet in those days—many communities do not have access to the internet—so the companies used cold calling to target poor widows and people who were seriously ill, in many cases claiming to be solicitors. Many of my constituents signed up with claims management companies, but anyone who asked them which firm of solicitors they were with would be referred to the claims management company. It came as a great surprise when it was pointed out that the company in question was not legally qualified.

However, the claims management scandal surrounding the miners compensation scheme could not have continued were it not for solicitors being implicated. I find it ironic that the Law Society and solicitors should more or less stand back and say, "This problem's got out of hand because of these nasty claims management companies", because they have also been part of the system and have fed the process. Do I think that there is any need for claims management companies? No, I do not. Indeed, some companies involved in the miners compensation scheme lasted only 12 months, because they were wound up once they had harvested an area. Banning referral fees is a welcome step forward. Would I criminalise the practice? Yes, I would, because the principle that those who are injured in any way should receive compensation is right, yet those seeking access to justice—I am not talking about "the consumer"—are not helped by claims handling companies, which just feed off the process.

We in the Labour Government introduced the claims regulation authority. I disagree with my hon. Friend the Member for Hammersmith (Mr Slaughter), speaking

from the Front Bench, because I believe that was the right step forward. I pay tribute to Kevin Rousell and others who helped to set that organisation up, because they introduced regulation for the first time in an area where there was none at all, as well as seeing off some of the most unscrupulous claims handling companies that were feeding off the back of the miners compensation scheme.

However, I suppose I have some issues with the referral fee being banned, and I would like to give an example: the scandal of the Durham Miners Association and its association with Thompsons solicitors, which I have referred to in the Chamber before. One could argue that a referral was not paid in that case. However, the way the scam worked—I have described it before as a "scam", and I shall continue to do so—was that people had to pay a £20 fee to join the Durham Miners Association. They then had to sign an agreement whereby if they were successful, 7.5% of their compensation was paid back to the Durham Miners Association, even though every penny of the fees in such cases were paid by the Government.

I want some clarity from the Minister on whether such cases would be covered by the provisions dealing with referral fees, because although there was no direct payment by the Durham Miners Association to Thompsons solicitors, there was, in fact, in the sense of the firm getting the cases, because on no occasion were its would-be clients told that they could have gone to any other solicitor and received the same advice and support for absolutely nothing. I would therefore like the Minister to clarify whether that practice will be outlawed under these proposals, because that case involved a lot of people being misled. I was pleased that, following pressure from the claims regulation authority and others, Thompsons had to pay back quite a lot of money—I think the total came to several million pounds—to claimants from whom money had been taken. Indeed, when they heard that they were paying fees for absolutely nothing, many of my constituents were shocked. I would therefore like some clarification on that issue.

The other issue on which I would like some clarification is the role of the Law Society and its regulations. As I have said, we have all known that the scandal has gone on for many years, including before 2004, but if the change is to be robustly enforced, the Law Society has to send the clear message to its members that it will not sanction such practices.

Another issue on which I would like clarification is that of selling insurance. The scandal of the miners compensation scheme related to referral fees being paid to industrial injuries claims companies such as IDC of Ashington. Many of my constituents thought that that was a firm of solicitors, but in fact it was selling on the claims to individual solicitors firms. Part of its scam was that people had to buy the insurance policy that went with the service. The claims handling company was getting a fee from the solicitors, as well as a payment from the insurance premiums.

I congratulate the Minister on banning referral fees, but he must ensure that the multitude of scams that existed to hide the way in which referral fees were being paid before 2004 does not re-emerge. If this is going to work, he must ensure that those who dream up inventive ways of charging referral fees are looked into. I suggest that he talk to the claims management regulator, because it will have seen most of the scams that came to light in relation to the miners compensation scheme. My right hon. Friend the Member for Blackburn has also highlighted some of the scams, or inventive ways in which people can get round the regulation of referral fees. I welcome the ban on referral fees, and I wish the Minister's proposals well. I would, however, issue a word of warning in that he will need to look out for the various scams that people will come up with in order to get round it.

Sir Alan Beith: Like the hon. Member for North Durham (Mr Jones), I had coal mines in my constituency. There were three working mines there, and I saw evidence of the scandal that he described. It was absolutely dreadful in many ways. Today, I want to ask for clarification of the Government's intentions in two areas. One relates to the broadening of this issue beyond personal injury. New clause 18 provides for the Lord Chancellor to make regulations specifying wider ranges of legal businesses. I hope that there is a clear intention on the Government's part, probably involving consultation, to move on to all the sectors in which referral fees have the potential to distort or damage competition or to undermine the position of the consumer. I would like a clear indication that the Government are going to examine a number of other areas.

Secondly, the Minister was very helpful earlier on the question of custodial sentences for breaches of the Data Protection Act, and I hope that that means that the Government have moved on from their position of saying, "We'll have to wait until the end of the Leveson inquiry." That represented a complete misunderstanding of the situation. The question of custodial sentences for data protection offences is not primarily about the issues that have been raised in the Leveson inquiry about the media; it is about the everyday circumstances of our constituents whose personal information is abused by the organisations that hold it. That matter ought not to have to wait until the completion of an inquiry into a wider range of issues. I hope that the Minister's earlier helpfulness will be repeated in implementing a measure on which the House has already decided—namely, that there should be a custodial penalty in such cases.

Mr Djanogly: We have had a good, far-ranging debate this afternoon. Given that another important debate needs to be completed by 8 o'clock, I am sorry to say that I shall have to make my way quickly through the points that have been raised. I am pleased to hear at least a grudging agreement in principle with our ban on referral fees from the hon. Member for Hammersmith (Mr Slaughter). I thank my right hon. Friend the Member for Carshalton and Wallington (Tom Brake) and all the other right hon. and hon. Members for their support for our desire to implement the ban. I am pleased that the debate today has been about how that should be done, not about whether it should be done.

The hon. Member for Hammersmith asked why we had not consulted on banning referral fees, and I can tell him that Lord Justice Jackson made 109 recommendations, and it would not have been practical to consult on them all at once. It also made good sense to await the outcome of the Legal Services Board's work in this area. Many respondents to our consultation on implementing Lord Justice Jackson's recommendations included their views on referral fees. Those views, along with the work

[Mr Djanogly]

undertaken by the LSB and the Transport Committee, have been carefully considered. The hon. Gentleman clearly raised some serious issues relating to the regulation of claims management companies, but they were not directly relevant to the Bill. I must point out that, in the past year, the Ministry of Justice has cancelled 349 authorisations of CMCs, whereas in the last year of the Labour Government, it cancelled only 35.

The hon. Member for North Durham (Mr Jones) asked a number of important questions. If he does not mind, I will write to him about those issues. I can say, however, that under the Compensation Act 2006, it is an offence to provide regulated claims management services unless authorised or exempt. The hon. Gentleman will not be surprised to learn that the exemption applies to trade unions, and that is part of the problem that he rightly highlighted. I was present at the debate that he held on that subject several years ago.

The hon. Member for Hammersmith covered several other matters, but he essentially spoke to tomorrow's debate, and we will deal with those issues then. My right hon. Friend the Member for Carshalton and Wallington asked about some important aspects relating to the consumer. The Chairman of the Transport Select Committee, the hon. Member for Liverpool, Riverside (Mrs Ellman), rightly mentioned that share premiums had risen by 40% in the last year alone. This is of course a matter of concern, and we have discussed it with the Association of British Insurers. It has said that if the proposals are effected with the other changes to recoverability of success fees in after-the-event insurance, it would hope to see a fall in insurance premiums. I certainly hope that that is a credible position.

As I said at the outset, there is broad support across the House for a ban on referral fees, although there is some disagreement on how best to implement the ban. The right hon. Member for Blackburn (Mr Straw) spoke to his amendments with typical passion, but I would like to set out briefly why the Government cannot support them. Amendments (a) to (c) to new clause 18 seek to capture within the prohibition all arrangements to pay or receive referral fees, even when a payment has not yet been made. These amendments might have been tabled in support of his amendment to make the payment and receipt of referral fees a criminal offence. However, I am concerned that capturing an agreement to pay referral fees when payment might not have occurred would be very difficult to enforce. A solicitor's accounts, for example, might well show that a particular payment had been made that could, on the face of it, be a referral fee. However, it is unlikely that agreements, which in some cases might be no more than verbal agreements, could be so readily identified without time-consuming investigation. In any event, we do not think that it is necessary to provide for this eventuality, first because such agreements would be unenforceable under subsection (6) of new clause 19 and, secondly, because whatever might be agreed, the payment of the referral fee would still be prohibited. So, in practice, it is unlikely that a party would enter into an agreement to pay a referral fee when payment would be a breach of the prohibition and the agreement would not be enforceable.

I have already dealt, in moving the new clause, with the arguments against amendment (e), which seeks to create a new criminal offence. I should just reiterate that the Government are fully committed to ensuring that the ban will work effectively.

Mr Straw: When I made my point about the banning of referral fees being backed by the criminal law, the Lord Chancellor did not say that he agreed with me, but he did say, on 13 September:

"We are now considering the way in which to put this into practice, but it is likely to be in the form recommended"—[*Official Report*, 13 September 2011; Vol. 532, c. 879.]

—that is, a criminal prohibition as well as a regulatory one. He appeared to have an open mind about that, so what has changed since then?

Mr Djanogly: I have just confirmed with my right hon. Friend the Lord Chancellor that, in the next sentence of that quote, he said that he had not committed to creating a criminal offence.

I can assure the right hon. Member for Blackburn that we have thought long and hard about how to achieve this, and I am aware of the concerns raised in the Justice Committee's recent report on referral fees and the theft of personal data. The Committee's Chairman made the point again today that the penalties for breaching section 55 of the Data Protection Act were not sufficient. The Government are keeping the question of whether to introduce custodial penalties for section 55 offences under review, and we will respond to the Justice Committee's report in due course. However, the issue of how to deal with people such as rogue motor garage workers or nurses who are breaking the law by breaching the Data Protection Act is separate from that of how to introduce a new ban on regulated bodies to prevent them from paying referral fees, which they are currently permitted to do. I strongly believe that our ban, which will stop lawyers, claims management companies and insurance companies from paying and receiving referral fees, will remove the incentives for selling personal data from the whole system. That is because there will be no one for the rogue garage, for instance, to sell the data to, as all the people in the system who can make any profit out of handling claims will be prevented from paying referral fees. My hon. Friend the Member for East Hampshire (Damian Hinds) well set out the complexity involved in this instance.

7.30 pm

The right hon. Member for Blackburn has also tabled an amendment to alter the way in which legitimate payments for services are defined. The effect of amendment (b) to new clause 19 would be that payments for services would be permitted only if they were

"proportionate and reasonable in the circumstances."

The Government recognise that there are some completely legitimate practices that involve payments between lawyers and third parties, such as obtaining medical reports, which should continue. However, clause 19 aims to prevent the exchange of referral fees under the guise of those services. The onus would be on the regulated person to show it was made for the provision of services. The effect of subsection (9) of the Government's new clause 19 would be to enable the Lord Chancellor to

make regulations specifying the maximum amount that may be paid for certain services, without it being treated as a referral fee. Therefore amendment (b) is unnecessary.

I must say that I am convinced of the need to have the power to make further regulations, should the need arise. My right hon. Friend the Member for Berwick-upon-Tweed (Sir Alan Beith) rightly brought up the question of extending the scope, and I can tell him that there are no current plans to extend the scope beyond personal injury, although, as he says, this is provided for in the Bill and might be relevant in due course.

We are repeatedly warned that the industry will find ways to circumvent the ban, and payments for services are one way in which it might do this, so having the power to set up regulations is, I agree, correct. I hope I have reassured the right hon. Member for Blackburn that we have the mechanics in place to stop these referral fees continuing to be paid under the guise of payments for services. I urge the right hon. Gentleman not to press his amendments.

Question put and agreed to.

Clause accordingly read a Second time.

Amendment proposed to new clause 18: (e), line 16, at end insert—

'(2A) A breach of the provisions of this section shall be an offence, punishable on summary conviction by a fine not exceeding the statutory maximum or on indictment for a term of imprisonment not exceeding two years, or a fine, or both.'.—*(Mr. Straw.)*

The House divided: Ayes 208, Noes 302.

Division No. 384] **[7.32 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Havard, Mr Dai
Healey, rh John
Heyes, David
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lloyd, Tony
Llwyd, rh Mr Elfyn
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Ritchie, Ms Margaret
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Walley, Joan
Watson, Mr Tom
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Nic Dakin and Mark Hendrick

NOES

Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burstow, Paul
Cairns, Alun
Campbell, Mr Gregory
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Graham, Richard
Gray, Mr James
Grayling, rh Chris
Green, Damian
Griffiths, Andrew
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Long, Naomi
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Nokes, Caroline
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shannon, Jim
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, David
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, rh Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Streeter, Mr Gary
Stride, Mel
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve

Wharton, James
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
James Duddridge and Stephen Crabb

Question accordingly negatived.

New clause 18 added to the Bill.

New Clause 19

EFFECT OF THE RULES AGAINST REFERRAL FEES

'(1) The relevant regulator must ensure that it has appropriate arrangements for monitoring and enforcing the restrictions imposed on regulated persons by section [*Rules against referral fees*].

(2) A regulator may make rules for the purposes of subsection (1).

(3) The rules may in particular provide for the relevant regulator to exercise in relation to anything done in breach of that section any powers (subject to subsections (5) and (6)) that the regulator would have in relation to anything done by the regulated person in breach of another restriction.

(4) Where the relevant regulator is the Financial Services Authority, section [*Regulation by the FSA*] applies instead of subsections (1) to (3) (and (7) to (9)).

(5) A breach of section [*Rules against referral fees*]—

(a) does not make a person guilty of an offence, and

(b) does not give rise to a right of action for breach of statutory duty.

(6) A breach of section [*Rules against referral fees*] does not make anything void or unenforceable, but a contract to make or pay for a referral or arrangement in breach of that section is unenforceable.

(7) Subsection (8) applies in a case where—

(a) a referral of prescribed legal business has been made by or to a regulated person, or

(b) a regulated person has made an arrangement as mentioned in section [Rules against referral fees](2)(a),

and it appears to the regulator that a payment made to or by the regulated person may be a payment for the referral or for making the arrangement (a "referral fee").

(8) Rules under subsection (2) may provide for the payment to be treated as a referral fee unless the regulated person shows that the payment was made—

(a) as consideration for the provision of services, or

(b) for another reason,

and not as a referral fee.

(9) For the purposes of provision made by virtue of subsection (8) a payment that would otherwise be regarded as consideration for the provision of services of any description may be treated as a referral fee if it exceeds the amount specified in relation to services of that description in regulations made by the Lord Chancellor.'.—*(Mr Dunne.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 20

REGULATION BY THE FSA

'(1) The Treasury may make regulations to enable the Financial Services Authority, where it is the relevant regulator, to take action for monitoring and enforcing compliance with the restrictions imposed on regulated persons by section [Rules against referral fees].

(2) The regulations may apply, or make provision corresponding to, any of the provisions of the Financial Services and Markets Act 2000 with or without modification.

(3) Those provisions include in particular—

(a) provisions as to investigations, including powers of entry and search and criminal offences;

(b) provisions for the grant of an injunction in relation to a contravention or anticipated contravention.

(c) provisions giving Ministers or the Financial Services Authority powers to make subordinate legislation;

(d) provisions for the Financial Services Authority to charge fees.

(4) The regulations may make provision corresponding to the provision that may be made by virtue of section [Effect of the rules against referral fees](7) to (9) (but as if the reference to the Lord Chancellor were a reference to the Treasury).

(5) The power to make regulations under this section is subject to section [Effect of the rules against referral fees](5) and (6).'.—*(Mr Dunne.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 21

REGULATORS AND REGULATED PERSONS

'(1) In relation to a referral of business within section [Rules against referral fees](4)(a)—

(a) a regulator is any person listed in column 1 below;

(b) a regulated person is any person listed in column 2;

(c) a regulator in column 1 is the relevant regulator in relation to the corresponding person in column 2.

1. Regulator	2. Regulated person
the Financial Services Authority	an authorised person (within the meaning of the Financial Services and Markets Act 2000) of a description specified in regulations made by the Treasury
the Claims Management Regulator	a person authorised by the Regulator under section 5(1)(a) of the Compensation Act 2006 to provide regulated claims management services
the General Council of the Bar	a person authorised by the Council to carry on a reserved legal activity within the meaning of the Legal Services Act 2007
the Law Society	a person authorised by the Society to carry on a reserved legal activity within the meaning of the Legal Services Act 2007
a regulatory body specified for the purposes of this subsection in regulations made by the Lord Chancellor	a person of a description specified in the regulations in relation to the body

(2) In relation to a referral of prescribed legal business of any other kind—

(a) a regulator is any person listed in column 1 below and specified in relation to business of that kind in regulations made by the Lord Chancellor;

(b) a regulated person is any person specified in accordance with column 2 in relation to business of that kind;

(c) a person specified under paragraph (a) in relation to business of that kind is the relevant regulator in relation to a person specified in accordance with the corresponding entry in column 2 in relation to business of that kind.

1. Regulator	2. Regulated person
the Financial Services Authority	an authorised person (within the meaning of the Financial Services and Markets Act 2000) of a description specified in regulations made by the Treasury
the Claims Management Regulator	a person who is authorised by the Regulator under section 5(1)(a) of the Compensation Act 2006 to provide regulated claims management services and is of a description specified in regulations made by the Lord Chancellor
an approved regulator for the purposes of Part 3 of the Legal Services Act 2007 (approved legal activities);	a person who is authorised by the regulator to carry on a reserved legal activity and is of a description specified in regulations made by the Lord Chancellor
a licensing authority for the purposes of Part 5 of that Act (alternative business structures)	a person who is licensed by the authority to carry on a reserved legal activity and is of a description specified in regulations made by the Lord Chancellor'.—*(Mr Dunne.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 22

Referral fees: regulations

'(1) This section applies to any regulations under sections [Rules against referral fees], [Effect of the rules against referral fees], [Regulation by the FSA] and [Regulators and regulated persons].

(2) The regulations are to be made by statutory instrument.

(3) The power to make the regulations includes power to make consequential, supplementary, incidental, transitional, transitory or saving provision.

(4) A statutory instrument containing the regulations may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.'.—*(Mr Dunne.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 23

Removal of Limit on certain fines on conviction by magistrates' court

'(1) Where a relevant offence would, apart from this subsection, be punishable on summary conviction by a fine or maximum fine of £5,000 or more (however expressed), the offence is punishable on summary conviction by a fine of any amount.

(2) Where a relevant power could, apart from this subsection, be exercised to create an offence punishable on summary conviction by a fine or maximum fine of £5,000 or more (however expressed), the power may be exercised to create an offence punishable on summary conviction by a fine of any amount.

(3) For the purposes of this section, an offence or power is relevant if, immediately before the commencement day, it is contained in an Act or an instrument made under an Act (whether or not the offence or power is in force at that time).

(4) Nothing in subsection (1) affects—

(a) fines for offences committed before the commencement day,

(b) fines that may be imposed on a person aged under 18, or

(c) fines that may be imposed on a person convicted by a magistrates' court who is to be sentenced as if convicted on indictment,

and nothing in subsection (2) affects a relevant power to the extent that it relates to such fines.

(5) The Secretary of State may by regulations—

(a) make provision disapplying subsection (1) or (2),

(b) make provision for a fine or maximum fine in relation to which subsection (1) is disapplied to be increased instead in accordance with the regulations, and

(c) make provision for a power in relation to which subsection (2) is disapplied to be exercisable to create an offence punishable on summary conviction by a fine or maximum fine of a higher amount specified or described in the regulations.

(6) Subsection (7) applies in relation to a relevant offence that, immediately before the commencement day, is punishable on summary conviction by a fine or maximum fine expressed as a proportion of an amount of £5,000 or more (however that amount is expressed).

(7) The Secretary of State may by regulations make provision for the offence to be punishable on summary conviction by a fine of that proportion of a higher amount specified or described in the regulations.

(8) Regulations under this section may not include provision affecting—

(a) fines for offences committed before the regulations come into force,

(b) fines that may be imposed on a person aged under 18, or

(c) fines that may be imposed on a person convicted by a magistrates' court who is to be sentenced as if convicted on indictment,

or provision affecting a relevant power to the extent that it relates to such fines.

(9) Regulations under this section—

(a) may make different provision for different cases or circumstances,

(b) may make provision generally or only for specified cases or circumstances, and

(c) may make consequential, incidental, supplementary, transitional, transitory or saving provision.

(10) The power under subsection (9)(c), and the power under section 115 to make provision in relation to this section, include power to amend, repeal, revoke or otherwise modify any provision which, immediately before the commencement day, is contained in an Act or an instrument made under an Act (whether or not the provision is in force at that time).

(11) Regulations under this section are to be made by statutory instrument.

(12) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.

(13) If, immediately before the commencement day, the sum specified as level 5 on the standard scale in section 37(2) of the Criminal Justice Act 1982 (standard scale of fines for summary offences) is greater than £5,000, the references in this section to £5,000 have effect as if they were references to that sum.

(14) For the purposes of this section, an offence is relevant whether it is a summary offence or an offence triable either way.

(15) In this section—

"the commencement day" means the day on which subsection (1) of this section comes into force;

"Act" includes an Act or Measure of the National Assembly for Wales.'.—*(Mr Blunt.)*

Brought up, and read the First time.

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following:

Government new clause 24—*Power to increase certain other fines on conviction by magistrates' court.*

Government new clause 25—*Power to amend standard scale of fines for summary offences.*

Mr Blunt: The new clauses are designed to remove the upper limits on the fines that can currently be imposed in magistrates courts. Raising the upper limits on fines gives sentencers greater flexibility to identify the most effective punishment appropriate to the offences and offenders before them, particularly when combined with other disposals such as suspended sentences when offenders are close to the custodial threshold.

The Government believe that financial penalties, as long as they are set at the right level, can be just as effective as community payback or curfews in punishing offenders and deterring them from further offending. Fines hit offenders where it hurts: in their pockets. They also have the advantage of not affecting opportunities for employment or having an impact on family responsibilities, and hence can prevent further acceleration into a criminal lifestyle. Moreover, they do not impose a further burden on the already hard-pressed taxpayer or on society as a whole. Not only are fines punitive; they provide reparation for society, and serve as part of offenders' restoration to all of us.

That is why courts already have flexibility to impose fines in cases that have passed the community sentence threshold. It is entirely right for them to be able to consider the circumstances of the offences and of the offenders before them, and, having weighed up the various purposes of sentencing, to decide that a fine will provide an appropriate level of punishment and deterrence without needing to consider a community order. Courts already have wide discretion to make use of fines in appropriate cases, and the Government want to support and encourage that.

We particularly wish to ensure that magistrates, who issue the vast majority of fines, have the powers that they need to set fines at levels that are proportionate to the most serious offences that come before them for trial. These clauses therefore make two key changes to the way that fines operate in the magistrates courts. The first is to replace all upper limits of £5,000 or more for fines available on summary conviction. At the moment, where an offence is triable on summary conviction only, magistrates do not have the option of committing the case to the Crown court for sentence and are constrained in their ability to fine by the statutory maximum fines. For the most serious offences tried by magistrates, that is generally £5,000, although for certain offences where the financial gain from offending is substantial—for example, in some environmental offences—the maximum fine can be as high as £50,000.

For less serious offences, we believe that it is right to retain the differentials between the punishments. However, we wish to give Government and Parliament more flexibility to amend these maxima as the need arises.

Gareth Johnson (Dartford) (Con): Will the Minister give way?

Mr Blunt: If my hon. Friend will forgive me, I need to conclude my remarks and allow the Opposition to respond.

The second change these clauses propose is to give the Secretary of State a power to increase the current maximum fine amounts for levels 1 to 4 on the standard scale of fines for summary offences. These amounts are currently £200, £500, £1,000 and £2,500. The new power would be to increase these so as to keep them in the same ratio to one another as at present. There is already a similar power to change them in line with changes in the value of money, so the new power would be an extension of that. We intend to consult on the right level at which to set these new maxima.

That should form part of a wider review of sentences served in the community, so I want to use this debate to notify the House that we are entering a review process, which we intend will in due course lead to a formal public consultation on community sentences. For too long, community sentences have failed to punish offenders properly for their actions, and the Government are committed to changing that. We are already taking action, including through this Bill, to strengthen community orders, but we want to go much further and deliver a step change in the way sentences operate. They must, of course, address the problems that have caused the offending behaviour in the first place—the drug abuse, the alcoholism, the mental health problems—but they must also punish properly and send a clear message to society that wrongdoing will not be tolerated. We want to see a clear punitive element in every sentence handed out by the courts.

We will consult on further reforms to ensure that community sentences effectively punish and rehabilitate offenders. That should include consulting on what constitutes effective delivery of the principles of sentencing, punishment and rehabilitation, as I have mentioned, but also on protection of the public, restoration and how the whole package can produce the most effective deterrent to crime. A part of this consultation will be on the new maxima at levels 1 to 4 in the magistrates courts.

The Government want offenders to be in no doubt that the courts have the powers they need to punish their crimes. Once the victim's compensation has been addressed—and if an offence presents no wider issues of reparation or public protection—if a court believes that a fine would be the best way of punishing an offender and deterring future offending, then we want to ensure that there are no barriers to courts setting the fine at the appropriate level.

[Mr Blunt]

To sum up, these new clauses would remove the £5,000 cap on fines that magistrates can impose, so that they are able to use their discretion and set fines that are proportionate to the offences before them. That will also improve the efficiency of the court system, by removing the need for magistrates to send cases to the Crown court when they feel the current maximum fine is not a severe enough punishment for the offenders before them. For offences with caps set at less than £5,000, we propose to retain the current structure of differential maxima, with a power to increase them as necessary.

I urge Members to support the measures.

Mr Slaughter: I thank the Minister for his clear account of the effects of these proposals, but I wonder why they are being introduced at this stage. He may wish to explain that. They are not controversial. We do not intend to oppose them as we think their measures are sensible, and we are glad that the Government are, for once, in favour of judicial discretion. They made certain concessions in Committee, one of which was not withdrawing magistrates' powers to impose longer custodial sentences. We believe the magistrates system serves this country extremely well—this year marks its 650th anniversary. However, although these are sensible changes to current magistrates powers, we are concerned about the fact that, once again, they are part of a package of new measures.

I will not take up any more of the House's time as we shall shortly come on to discuss two very important and significant new provisions in the criminal law, of which we have had very little notice as they have been introduced at a very late stage. I therefore simply ask again why we have had to wait until Report stage for the measures currently under discussion to be introduced. We do not oppose the proposals, however, as we consider them to be sensible and uncontentious.

Sir Alan Beith: How nice it is to hear the hon. Member for Hammersmith (Mr Slaughter) in conciliatory mood. The Minister has made a perfectly good case for increasing the level of fines available in magistrates courts. He gave several reasons for doing so, and I would add to them the giving of further encouragement to magistrates to deal with cases themselves wherever that is possible, rather than referring them upwards to the Crown court. This is part of a general increased empowerment of magistrates to deal with cases.

The Minister has mentioned the wider issue of community penalties and non-custodial sentences, and the review and consultation that will address them. I hope that proves to be a fruitful process. There is a danger that he is giving two signals at once, however. He is hoping to give the necessary signal to the public that many offenders consider community sentences to be more demanding and rigorous, and much less congenial, than very short terms of imprisonment. Some offenders who have appeared before the Justice Committee have said they committed further offences because it was easier to spend the time in prison than to continue with a community sentence. The Government must also give a signal to the judiciary that it should make the maximum use of the available range of penalties, on the basis of what is most likely to reduce reoffending. If a rigorous, well-supervised and policed community sentence is more likely to reduce reoffending, the judiciary should be encouraged to choose that option. I hope people do not find the signals too confusing, that we end up with a well-supported system of community penalties, and that people have confidence that for many offenders such penalties reduce reoffending more effectively than prison does.

Gareth Johnson: Although I support the Government's proposals, it would make sense to remove the upper limit on financial penalties imposed by magistrates courts. The proposals do not relate to levels of compensation, so if magistrates are asked to sentence for, say, a theft of £5,000-worth of goods, they will still have to refer the matter to the Crown court for sentence if they do not have the power to award more than £5,000 compensation. I therefore wonder whether the Government would be willing to look at the levels of compensation in the future, to see if there is any scope for lifting the upper limit of compensation awards that magistrates courts can impose.

Mr Blunt: I am grateful to have this brief opportunity to respond to the points raised. Let me see if I can do justice to the grudging support of the hon. Member for Hammersmith (Mr Slaughter). I am certainly profoundly grateful that we found him in a positive mood, and the fact that he welcomes these measures gives the answer to his questions. They are appropriate measures; that is why they are being welcomed across the House.

My right hon. Friend the Member for Berwick-upon-Tweed (Sir Alan Beith) is absolutely right that many defendants consider a proper combination of community sentences to be much more onerous than custody—and I want to increase the opportunities for that to be seen as much more onerous than custody. My hon. Friend the Member for Shipley (Philip Davies) is not present, but I remember him citing an example from the *Daily Mail* about a judge who threw the book at an offender because he thought he could not send him to prison: he gave the offender a combination of community sentences that were much more onerous than the custody would have been.

We want to get to a place where we can get a better balance on sentencing, to make sure that we actually punish people in the most appropriate way and give sentences greater flexibility. That is what this measure will do. I will write to my hon. Friend the Member for Dartford (Gareth Johnson), who made an entirely proper point. I want to make it absolutely clear that compensation comes first—

8 pm

Debate interrupted (Programme Order, 31 October).

The Deputy Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E), That the clause be read a Second time.

Question agreed to.

New clause 23 accordingly read a Second time, and added to the Bill.

The Deputy Speaker then put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

New Clause 24

POWER TO INCREASE CERTAIN OTHER FINES ON CONVICTION BY MAGISTRATES' COURT

'(1) Subsection (2) applies in relation to a relevant offence which, immediately before the commencement day, is punishable on summary conviction by a fine or maximum fine of a fixed amount of less than £5,000.

(2) The Secretary of State may by regulations make provision for the offence to be punishable on summary conviction by a fine or maximum fine of a higher amount specified or described in the regulations.

(3) Subsection (4) applies in relation to a relevant power which, immediately before the commencement day, can be exercised to create an offence punishable on summary conviction by a fine or maximum fine of a fixed amount of less than £5,000 but not to create an offence so punishable by a fine or maximum fine of a fixed amount of £5,000 or more.

(4) The Secretary of State may by regulations make provision for the power to be exercisable to create an offence punishable on summary conviction by a fine or maximum fine of a higher amount specified or described in the regulations.

(5) Regulations under this section may not specify or describe an amount exceeding whichever is the greater of—

(a) £5,000, or

(b) the sum specified for the time being as level 4 on the standard scale.

(6) Regulations under this section may not include provision affecting—

(a) fines for offences committed before the regulations come into force,

(b) fines that may be imposed on a person aged under 18, or

(c) fines that may be imposed on a person convicted by a magistrates' court who is to be sentenced as if convicted on indictment,

or provision affecting a relevant power to the extent that it relates to such fines.

(7) Regulations under this section—

(a) may make different provision for different cases or circumstances,

(b) may make provision generally or only for specified cases or circumstances, and

(c) may make consequential, incidental, supplementary, transitional, transitory or saving provision.

(8) The power under subsection (7)(c) includes power to amend, repeal, revoke or otherwise modify any provision which, immediately before the commencement day, is contained in an Act or an instrument made under an Act (whether or not the provision is in force at that time).

(9) Regulations under this section are to be made by statutory instrument.

(10) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.

(11) If, immediately before the commencement day, the sum specified as level 5 on the standard scale in section 37(2) of the Criminal Justice Act 1982 (standard scale of fines for summary offences) is greater than £5,000, the references in this section to £5,000 have effect as if they were references to that sum.

(12) In this section "Act", "the commencement day", "relevant offence" and "relevant power" have the same meaning as in section [Removal of limit on certain fines on conviction by magistrates' court].'.—*(Mr Blunt.)*

Brought up, and added to the Bill.

New Clause 25

POWER TO AMEND STANDARD SCALE OF FINES FOR SUMMARY OFFENCES

'(1) The Secretary of State may by order substitute higher sums for the sums for the time being specified as levels 1 to 4 on the standard scale in section 37(2) of the Criminal Justice Act 1982 (standard scale of fines for summary offences).

(2) The power under subsection (1) may not be exercised so as to alter the ratio of one of those levels to another.

(3) In section 143 of the Magistrates' Courts Act 1980 (power to alter sums including standard scale of fines for summary offences), in subsection (3)(b), after "subsection (1) above" insert "or section [Power to amend standard scale of fines for summary offences] of the Legal Aid, Sentencing and Punishment of Offenders Act 2011".

(4) In section 37 of the Criminal Justice Act 1982 (standard scale of fines for summary offences), in subsection (3), at the end insert "or section [Power to amend standard scale of fines for summary offences] of the Legal Aid, Sentencing and Punishment of Offenders Act 2011".

(5) An order under this section is to be made by statutory instrument.

(6) A statutory instrument containing an order under this section may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.

(7) An order under this section does not affect fines for offences committed before the order comes into force.'.—*(Mr Blunt.)*

Brought up, and added to the Bill.

Mr Deputy Speaker (Mr Nigel Evans): Before we embark on the next debate, may I draw attention to Mr Speaker's request, made earlier this afternoon, for brevity from the Front Benchers and Back Benchers in these debates so that all the important matters before the House for decision today can be properly considered?

New Clause 27

REASONABLE FORCE FOR THE PURPOSES OF SELF-DEFENCE ETC

'(1) Section 76 of the Criminal Justice and Immigration Act 2008 (reasonable force for the purposes of self-defence etc) is amended as follows.

(2) In subsection (2) after paragraph (a) omit "and" and insert—

"(aa) the common law defence of defence of property; and".

(3) After subsection (6) insert—

"(6A) In deciding the question mentioned in subsection (3), a possibility that D could have retreated is to be considered (so far as relevant) as a factor to be taken into account, rather than as giving rise to a duty to retreat."

(4) In subsection (8) for "Subsection (7) is" substitute "Subsections (6A) and (7) are".

(5) In subsection (10)(a) after sub-paragraph (i) omit "or" and insert—

(ia) the purpose of defence of property under the common law, or".'.—*(Mr Blunt.)*

Brought up, and read the First time.

Mr Blunt: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker: With this it will be convenient to discuss Government amendments 136 and 141.

Mr Blunt: I shall certainly be following Mr Speaker's direction, and I hope that we will dispose of this matter in as short an order as we disposed of removing the limit on magistrates' fines.

The question of how far one can go to defend oneself crops up again and again in the letters Members of Parliament receive from their constituents, and of course it is always a controversial issue in the press and the media. It usually arises because a hard-working, law-abiding home owner or shopkeeper has been forced to defend themselves against an intruder and has ended up being arrested for it. Being confronted by an assailant in one's home, on the street or anywhere else can be a terrifying prospect. It is essential that the law in this area is clear, so that people who use reasonable force to defend themselves or to protect their properties can be confident that the law is on their side.

There will always be occasions when the police need to make an arrest to enable a prompt and effective investigation, especially if they turn up at an address and somebody is dead. We are working with the Home Office on new guidance for the police to ensure that arrests are made only where necessary, but these provisions should give people greater certainty that the law itself is on their side and they will not be prosecuted or convicted if they have only used reasonable force.

Mr Llwyd: Will the Minister advise the House how the provisions change the common law doctrine and principle of a person being able to protect his or her property using force and the doctrine of self-defence, where reasonable force is used to defend oneself? I asked the Lord Chancellor that yesterday and he told me to wait until today for the answer—I am all ears.

Mr Blunt: The right hon. Gentleman should listen out for the next passage of my remarks, as I hope it will give him and the rest of the House satisfaction.

On the specific provisions, the new clause is not designed to sweep away the fundamental premise that somebody can use reasonable force in self-defence. In my view, that aspect of the law is entirely sensible. Allowing somebody to use unreasonable or disproportionate force would be very dangerous indeed, as it would effectively sanction vigilantism or violent retribution. Instead our proposals are designed to clarify what "reasonable" force means in practice. The new clause will amend section 76 of the Criminal Justice and Immigration Act 2008 to make it clear that a person can use reasonable force to defend property in addition to defending themselves, other people or preventing crime, and that they are under no duty to retreat from an offender when acting for a legitimate purpose, although if they had a chance to retreat, the court may still consider it when deciding whether the force used was reasonable in the circumstances. We did not consult on these measures because of the limited nature of the amendments, but that should not detract from their importance in reassuring householders and small shopkeepers who use reasonable force to defend themselves and their properties that the law is on their side.

Karl Turner (Kingston upon Hull East) (Lab): Does the Minister not accept that the law works perfectly well as it is? Some years ago, I defended someone who had chopped off someone's ear with a samurai sword and the jury acquitted him, saying that he had used reasonable force in the circumstances.

Mr Blunt: I cannot comment on that individual case—*[Interruption.]* The shadow Justice Secretary tempts me down that road, but I will resist. The much clearer message that will be sent if the House chooses to accept the Government's proposals will mean that the position should be crystal clear to householders and shopkeepers on the force that they are entitled to use. That is the purpose of these provisions. We are seeking to reassure the public, and this all sits as part of our desire to have a society that can exercise its rights and properly defend those rights, and that does not feel that people have to pass by on the other side, particularly when their lives and property are at risk.

Mr Llwyd: May I suggest to the Minister that legislating is not all about giving out signals and that it is about making law? I have no axe to grind personally with the Minister, who is a perfectly decent man and who engaged with us in Committee on many matters, above and beyond his brief. However, he may have wished to circulate a photocopy of the Crown Prosecution Service guidance on self-defence and the prevention of crime. Any fool can read and understand it, as it says simply, under the heading of "Reasonable Force":

> "A person may use such force as is reasonable in the circumstances for the purposes of: self-defence; or defence of another; or defence of property".

It goes on to describe a further two matters. Providing a copy of that would have done, rather than using legislative time.

Mr Blunt: I am very grateful—*[Interruption.]* I am not embarrassed in the least. This measure forms part of the coalition agreement. We are delivering on that, sending a clear message and putting the law beyond doubt. Having things buried away in guidance to prosecutors, given that reassurance is needed for home owners and shopkeepers, is a distinctly sub-optimal way of proceeding on an issue such as this. When viewed in conjunction with the Home Secretary's plans to strengthen the code of arrest for the police, we hope that these measures will help to fulfil the commitments in the coalition agreement on this issue. We must take together the instructions to Crown prosecutors, the legislation that I hope will go on to the statute book as a result of these Government measures and that code of arrest for the police, and I can therefore happily commend these proposals to the House.

Sadiq Khan: First, may I say, for the avoidance of doubt, that Labour Members do not intend to oppose new clause 27 or the consequential amendments, even though it is simply a rehash of an existing law and this valuable parliamentary time could have been used to discuss contentious issues that have caused real concern for many of our constituents? It was the previous Government, through section 76 of the Criminal Justice and Immigration Act 2008, who placed the common law of self-defence into statute.

Since that time, there have been a number of calls, especially from those on the right, to "tighten" the laws on self-defence because they think that is good politics. Back in February 2010, the Prime Minister argued that the law needed further tightening to benefit the home owner against the burglar. Indeed, the Conservative party manifesto said that it would

"give householders greater legal protection if they have to defend themselves against intruders in their homes."

The Conservatives have floated on a number of occasions the issue of reasonable force and changing the law to allow anything other than actions that are grossly disproportionate. Back in December 2009, the shadow Home Secretary, now Minister of State, Department for Work and Pensions, the right hon. Member for Epsom and Ewell (Chris Grayling) committed a future Conservative Home Secretary to changing the law so that convictions against householders would happen only in cases where the actions involved were "grossly disproportionate." But despite all the spin, that change has not materialised. The new clause will not allow home owners to use grossly disproportionate force or disproportionate force. It will not even strengthen the law. That is because expert opinion and evidence on the issue of self-defence for home owners is pretty unanimous.

It is widely accepted by those at the coal face that the law on self-defence works pretty well and it is unclear in many quarters why the law would need strengthening. The Director of Public Prosecutions, Keir Starmer QC, has said:

"There are many cases, some involving death, where no prosecutions are brought. We would only ever bring a prosecution where we thought that the degree of force was unreasonable in such a way that the jury would realistically convict. So these are very rare cases and history tells us that the current test works very well."

That approach is further reinforced by what has happened in recent months. That is why the Minister, whom we all like, is embarrassed by having to move the new clause and why his right hon. and learned Friend the Justice Secretary, whom we all love, has disappeared from the Chamber. Recent cases involving home owners such as Vincent Cooke in Cheshire, Peter Flanagan in Salford and Cecil Coley in Old Trafford, in which intruders were killed, have demonstrated that when reasonable force is deemed to have been used, the Crown Prosecution Service has not brought any charges, so the current law works. I see that a note is desperately being passed to the Minister—it is probably a sick note from the Justice Secretary.

Paul Mendelle QC, a previous chairman of the Criminal Bar Association, said:

"The law should always encourage people to be reasonable, not unreasonable; to be proportionate, not disproportionate."

He went on to add that the current law worked perfectly well and was well understood by juries. Just yesterday he argued in *The Guardian* that the two areas of change proposed by the Government are nothing of the sort. By amending section 76 of the 2008 Act so that there is no duty to retreat before force they are restating the current law. I think it is called rearranging the furniture: things might look different, but nothing of substance will have changed.

Mr Cox: I understand the import and effect of the right hon. Gentleman's criticisms, but what was done by section 76 if not precisely what the Government are doing—namely putting the common law on a statutory footing?

Sadiq Khan: I am glad that the hon. and learned Gentleman welcomed the Labour Government's section 76, but it is because we have already done that that there is no point in doing it again. I appreciate that he would like to seek the glory for doing so, but we have already done it. There is no need to reinvent the wheel.

Mr Cox: The right hon. Gentleman did not do this and neither did his Government. In seeking to codify the common law, they left out the defence of defending property. All the Government are doing now is making good a lacuna left by the Labour Government.

Sadiq Khan: With the greatest respect to the hon. and learned Gentleman, he is wrong.

Far from requiring retreat, the current law allows that even the first blow can still be reasonable force in self-defence. It is unclear what including the defence of property in the 2008 Act will add to the law as it does not differ from existing interpretations. The right hon. Member for Dwyfor Meirionnydd (Mr Llwyd), who speaks for Plaid Cymru, has given examples from the CPS guidance written in plain English. Perhaps he is suggesting that we should publish the CPS guidance and deliver it to every household in England and Wales, but I think that would be a waste of time. The Minister seems to believe that voters—home owners—will read the Bill to seek clarification of the law.

Using legislation as a public relations stunt is no way to run a Government, especially when measures are introduced at the eleventh hour. Not only have the clauses on self-defence not been subjected to scrutiny or consultation, but it is not clear how much they will add to legislation on self-defence. The Government's own impact assessment confirms that there will be no impact on the MOJ, so what we have today is not the Conservatives' manifesto pledge—that is another broken promise, by the way—or a strengthening of the law, as it has been spun as being, but a simple restatement of the policy on self-defence, which had already been restated excellently back in 2008. For those reasons, we will not oppose the measures.

8.15 pm

Mr Llwyd: It is often said in parliamentary circles that amendments, especially those moved by Opposition Members, are otiose, although I venture to suggest that few people outside this Chamber use that word, let alone know what it means: namely, that something is pointless. I start on the basis that this is pointless and I shall develop my argument point by point, if I am allowed to do so.

Sadiq Khan: Does the right hon. Gentleman mean the Justice Secretary or this new clause?

Mr Llwyd: No, like the right hon. Gentleman, I have the highest regard for the right hon. and learned Gentleman and I presume that this evening he is exercising his own right to self-defence by not being here. He has withdrawn from the Chamber and the possibility of being dealt a few blows that could actually hurt him. I say that not in a rude or pejorative fashion but in a semi-jocular way.

Yesterday, I asked the right hon. and learned Gentleman to answer the very question I also asked the Minister: what would be the exact difference in the law after this

[Mr Llwyd]

measure was introduced? Answer came there none from the right hon. and learned Gentleman, except, "Hang on until tomorrow and all will be revealed." In the past few minutes, the Minister has revealed all and, blow me, I am underwhelmed! I listened intently but reason or logic came there none and changes less still, so I am still none the wiser. "Could it be," I ask myself, "that the Government are speaking to an audience outside the Chamber?" Surely not; surely, they are not actually addressing an audience outside the Chamber such as the tabloid groups. No, never, that could not be right—I have dismissed that idea.

Currently, a householder may use reasonable force to defend him or herself or another, or in the prevention of crime, which includes defending a person's property. The new clause therefore does nothing. The use of force in self-defence is governed by common law and the use of force in the prevention of crime is governed by section 3 of the Criminal Law Act 1967. In both cases, the test to be applied is whether the force used was necessary and, if so, whether the degree of force used was reasonable in all the circumstances.

Whether the force used can be considered reasonable is decided according to the circumstances and the danger that the householder perceived him or herself to be in. The beauty of that law is the fact that it is so open, because circumstances change and one looks at the circumstances of each case. We have heard about someone having his ear sliced off and I can tell hon. Members about a case I defended in which, in a public house in north Wales, two families who were not very friendly met up. One was a family of poachers and the other of gamekeepers. Three members of one family jumped on top of one member of the other family in the toilets and the only way in which the lad, who was by himself, felt he could defend himself was by squeezing one of the others' testicles in the most awful way. It left some permanent damage by the way, so it was not altogether a laughing matter—certainly not for the man involved. Anyway, the question for the court was whether the force used there and then was reasonable in all the circumstances and the court said, yes. So every case is decided on its merits; that is the beauty of the law of self-defence.

I deduce therefore that the only possible justification for the change is to provide some form of clarification and/or, possibly, that somebody is addressing somebody outside. Section 76 of the Criminal Justice Act 2003 clarifies the operation of the common law and section 3 defences as listed in the 1967 Act. The 2003 Act did not change the current test that allows the use of reasonable force and neither, I suspect, will new clause 27.

Nor, indeed, can the Government argue that the law surrounding reasonable force is badly understood by the judiciary—professional or lay. The existing position with regard to property is set out clearly in layman's terms in the CPS guidance "Self-defence and the prevention of crime". It says:

"Reasonable force. A person may use such force as is reasonable in the circumstances for the purposes of: self-defence; or defence of another; or defence of property; or prevention of crime; or lawful arrest.

In assessing the reasonableness of the force used, prosecutors should ask two questions:

was the use of force necessary in the circumstances, i.e. Was there a need for any force at all? and

was the force used reasonable in the circumstances?"

The existing law works well and is well understood; 99% of the time it is well applied in courts and I do not know of any great tide of concern that the law needs further clarification.

Mr Cox: Of course I agree with almost every word that the right hon. Gentleman is saying, but does he not agree that if the Government first enact section 76 of the Criminal Justice and Immigration Act 2008 they might as well make it complete by including the defence of property? If they are going to bother with section 76 at all, they should make it complete and include the defence of property.

Mr Llwyd: I hear what the hon. and learned Gentleman says, and I suppose that that is right, but I come back to my earlier point that the whole process is otiose. I understand what he is saying, and he has logic on his side. We talk about logic, but parliamentary time is short. Yesterday we had to leave out consideration of a raft of important matters relating to social welfare and social justice. None of them was discussed. Yet we have time this evening to talk about something that is unnecessary. So although I respectfully disagree with the hon. and learned Gentleman, he has logic on his side. However, the new clause is not the right vehicle for clarification of the law.

Quite why the measure is being introduced now is rather baffling. I can only presume that it is to please the tabloids and that this Government, like the last, want to convince voters that they are not soft on crime. Those on the right of the Justice Secretary's party have made clear their aspirations to amend the law on reasonable force for some time now. As far back as 2009, the then shadow Home Secretary, the right hon. Member for Epsom and Ewell (Chris Grayling), said that any future Conservative Government would push for prosecutions, and convictions, only where courts judged that the action taken had been "grossly disproportionate". That would have stood the law on its head. A huge amount of jurisprudence would have emanated from that decision. No doubt the hon. and learned Member for Torridge and West Devon (Mr Cox) and I would have profited from it, but it would have been a bad step in my view. The Conservative party wound back somewhat after that was said.

I am glad that such an extraordinary change to the law has not occurred, at least not yet. As Michael Wolkind QC, who represented Tony Martin, who was found guilty of murder and wounding with intent under the existing law, has said, allowing householders to use force that is not "grossly disproportionate" would amount to "state-sponsored revenge".

Indeed, an outsider looking in might be forgiven for suspecting that hundreds of people were being prosecuted every year under the current law. But an informal trawl by the CPS suggested that between 1990 and 2005 there were only 11 prosecutions of people who had used force against intruders in houses, commercial premises or private land. So that is what we are dealing with and it leads one to question why we are talking about it tonight.

As the chair of the Bar Council Paul Mendelle QC said—it has been mentioned by the right hon. Member for Tooting (Sadiq Khan), but it will stand repetition—

"The law should always encourage people to be reasonable, not unreasonable; to be proportionate, not disproportionate."

Paul Mendelle also commented in the same article written in *The Times* that the present law worked well and was well understood by juries. Again, I ask why we are doing this.

Changes to the law should not be brought about to produce good sound bites. The common law of self-defence already makes it perfectly clear that a householder is able to use reasonable force against an intruder in defence of himself or herself or his or her property. Amending the existing law for no gain in matters of substance will serve only to increase vigilantism and is not a good use of parliamentary time. It could lead to people using excessive force because they think they might be above the law—"An Englishman's home is his castle" and all that kind of thing. I do not know. It might give out all the wrong signs, not the signs that Ministers on the Treasury Bench hope and suspect they are giving out.

I believe that the new clause has more to do with internal party politics than with policy. We are using valuable parliamentary time to play this out. The amendment is otiose and serves only to play to the drum beat of the tabloid press. I have a lot of time for the Justice Secretary, who is a man of great integrity, but I fear that in introducing the new clause he is dancing to the tune of the tabloids.

Mr Blunt: I will turn to the remarks of the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd) towards the end of my speech, but first let me say how grateful I am to the right hon. Member for Tooting (Sadiq Khan) for his kind personal remarks. I was marginally upset that I did not leap the amorous threshold that my right hon. and learned Friend the Justice Secretary did, but I am grateful for the limited extent of his affection compared to that for my right hon. and learned Friend.

I was amazed at the chutzpah of the right hon. Member for Tooting in lecturing the Government about a public relations stunt and spin. It took me a moment to pick my jaw back up off the Bench as I listened to him. There is a clear answer to the right hon. Gentleman. He properly stood up for the legal system as it now sits. As my hon. and learned Friend the Member for Torridge and West Devon (Mr Cox) said, it is an inconsistent message if we have changed section 76 of the Criminal Justice Act but have not applied it to property, so let us make the position absolutely clear to everyone that not only in the code for crown prosecutors and in the common law but in statute law, as passed by the House, property is included. That is a clear reason for making this change.

The right hon. Gentleman said that presumably the change was for an audience outside the Chamber. Yes, it is. It is all very well for sophisticates such as us, who understand the word "otiose"—used by the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd)—but the issue goes right to people's hearts. They feel that they are entitled to defend their home or their shop, and we owe it to them to make it crystal clear that we absolutely support them in defending themselves, their families and their property. The proposals make that absolutely clear. We need to understand that when something is so central to how everybody feels about their home, shop or place of business we must send a clear signal from this place about whose side we are on.

Sadiq Khan: I am sorry to interrupt the Minister's flow, but I have a simple question. Once the law is on the statute book, will a home owner have more rights, fewer rights or the same rights as they have now?

Mr Blunt: The home owner will have much greater reassurance about exercising their rights. *[Interruption.]* It is all for well for the lawyers on the Opposition Benches to cackle and say that the provision will not make any strict legal difference; it makes a profound difference in the reassurance that people will feel about operating in defence of their property and their life, which is why I am happy to commend the new clause to the House.

Question put and agreed to.

Clause read a Second time and added to the Bill.

New Clause 26

OFFENCE OF SQUATTING IN A RESIDENTIAL BUILDING

'(1) A person commits an offence if—

(a) the person is in a residential building as a trespasser having entered it as a trespasser,

(b) the person knows or ought to know that he or she is a trespasser, and

(c) the person is living in the building or intends to live there for any period.

(2) The offence is not committed by a person holding over after the end of a lease or licence (even if the person leaves and re-enters the building).

(3) For the purposes of this section—

(a) "building" includes any structure or part of a structure (including a temporary or moveable structure), and

(b) a building is "residential" if it is designed or adapted, before the time of entry, for use as a place to live.

(4) For the purposes of this section the fact that a person derives title from a trespasser, or has the permission of a trespasser, does not prevent the person from being a trespasser.

(5) A person convicted of an offence under this section is liable on summary conviction to imprisonment for a term not exceeding 51 weeks or a fine not exceeding level 5 on the standard scale (or both).

(6) In relation to an offence committed before the commencement of section 281(5) of the Criminal Justice Act 2003, the reference in subsection (5) to 51 weeks is to be read as a reference to 6 months.

(7) For the purposes of subsection (1)(a) it is irrelevant whether the person entered the building as a trespasser before or after the commencement of this section.'.—*(Mr Blunt.)*

Brought up, and read the First time.

Mr Blunt: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Nigel Evans): With this it will be convenient to discuss the following:

Amendment (a) to new clause 26, line 7, at end insert—

'(2A) The offence is not committed where the building has been empty for six months or more and where there are no significant steps being taken to refurbish, let or sell the building at the time of the trespass.'.

[Mr Deputy Speaker]

Amendment (c) to new clause 26, line 22 leave out subsection (7) and insert—

'(7) For the purposes of subsection (1)(a) no offence is committed if the person initially entered the building as a trespasser before the commencement of this section.'.

Government amendment 140

8.30 pm

Mr Blunt: The Government are very concerned about the harm that squatters can cause. Residential and non-residential property owners have contacted Ministers repeatedly about the appalling impact that squatting can have on their homes and businesses. These are not media scare stories; they are very real and stressful events for victims whose properties have been occupied.

It is not just a question of the cost, length of time and incredible hassle involved in evicting squatters. Properties can be left in a terrible state after the squatters have been evicted and owners may face hefty cleaning and repair bills. While the property owner is literally left picking up the pieces, the squatters have gone on their merry way. They might even be squatting in somebody else's property.

The current law already offers some protection to both non-residential and residential property owners. Squatters may be guilty, in certain circumstances, of offences such as criminal damage and burglary. There is also an offence under section 7 of the Criminal Law Act 1977 that protects certain residential property owners. It applies when a trespasser fails to leave residential premises on being required to do so by or on behalf of a "displaced residential occupier" or a "protected intending occupier." This means that people who have effectively been made homeless by squatters can ask the trespasser to leave, and if the trespasser refuses to leave, they can report an offence to the police.

We do not think the existing legal framework goes far enough to tackle the problems I have just described. The offence under section 7 of the 1977 Act does not protect non-residential property owners or many residential property owners, including landlords, local authorities and second home owners, who cannot be classified as displaced residential occupiers or protected intending occupiers. Following the conclusion of a recent public consultation exercise, we have decided that decisive action is needed now to criminalise squatting in residential buildings. We want to reassure owners and lawful occupiers of residential property that the law will protect them should trespassers occupy their properties. We want to send a clear message to would-be squatters that it is simply not acceptable to occupy someone else's home.

Tracey Crouch (Chatham and Aylesford) (Con): I am sure the Minister will recall that a year ago tomorrow he met my constituent Steve Cross, a commercial property manager. The Government are clearly concerned about the impact of squatting in commercial property, so it is surprising that the new clause, which I entirely support, does not include greater protections for commercial properties. Will the Minister reassure my constituent that the Government have not forgotten the devastating impact of squatting on commercial property managers, and that they will continue to look at ways of strengthening the law to provide greater protection against squatters in commercial properties?

Mr Blunt: I am grateful to my hon. Friend for her intervention and for bringing her constituent to see me. I absolutely give her that reassurance, and I will do so in terms during my prepared remarks, which I hope will show her that I have not forgotten that the consultation identified the fact that 50% of the harm caused by squatters was to the owners of commercial premises. Although we are not proposing to criminalise such squatting with these measures, it is certainly not forgotten.

We recognise that this is a controversial area of policy. Many homelessness charities, for instance, are likely to continue to say that the new offence will criminalise homeless and vulnerable people who squat in run-down residential properties, but one of the reasons that the properties remain in that state is that the owners cannot get in to renovate them because the squatters are present. Consultation responses indicated that squats can be unhygienic and dangerous places to live and are no place for genuinely vulnerable people. That is why we will ensure that reforms in this area are handled sensitively, in conjunction with wider Government initiatives to tackle the root causes of homelessness. We are also working to provide affordable homes and to bring more empty homes back into use.

Jeremy Corbyn (Islington North) (Lab): The Minister will, like me, have read the documents presented by Crisis, which indicate that 40% of homeless people have been squatters at some time, and that because they are often single people, they have great difficulty in getting local authority or housing association accommodation, and there are 700,000 empty properties in the country. What are homeless people supposed to do?

Mr Blunt: I will deal with the amendments tabled by the hon. Member for Hayes and Harlington (John McDonnell), who has quite properly raised concerns in this area, and I will go into some detail to give the hon. Member for Islington North (Jeremy Corbyn) a proper answer to his question.

As my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch) said, there are others who will say that any new offence should extend to squatting in commercial premises. As I said to her, I remain concerned about squatting in those properties and will work with other Departments and the enforcement authorities to see whether action against existing offences such as criminal damage and burglary could be enforced more effectively in those cases.

The Metropolitan police acknowledged, in response to our consultation, that a lack of training and practical knowledge regarding the law on squatting may be a barrier to effective enforcement. My officials will work with the Home Office and the wider police service to address these issues and fill any gaps in current police practice. We will keep the situation under review in relation to non-residential property and are not ruling out further action in the future if it is needed.

Jim Shannon (Strangford) (DUP): Will the legislation provide for co-operation or contact with services—electricity, water and so on—to those houses as a method whereby people can be taken out of those houses to ensure that the squatting does not continue? Will that be covered by the legislation?

Mr Blunt: That is not strictly within the terms of what is proposed here. The effect would be to criminalise those who are squatting in residential premises and to create a new offence. As a first step we intend to limit the new offence to squatting in residential buildings. We consider that this option strikes the best balance. It will protect those who are likely to suffer most from squatting—those whose homes are taken over by squatters.

I shall turn now to the amendments tabled by the hon. Member for Hayes and Harlington. I know that he is a supporter of the campaign group Squatters Action for Secure Homes, and I also know that he agrees with the arguments put forward by homelessness charities, such as Crisis, that criminalising squatting will impact on homeless people who squat. I fully understand why he tabled the amendments, but I will take this opportunity to explain why I do not agree with them.

On amendment (a), many squatters claim that they do not cause any harm to anybody because they look for empty properties to occupy. In the responses to our recent consultation exercise, that point was made by squatters and squatters groups, but respondents who made that argument were missing one rather important point: the houses are not theirs to occupy. There are many reasons why a house might be left empty for more than six months without any steps being taken to refurbish, let or sell the building. For example, somebody might decide to do charitable work in another country for a year, or they might visit their second home during the summer months only. It is the owner's prerogative to leave the house empty in those circumstances. To say that property owners or occupiers should not be protected by the criminal law in these circumstances would be unjust and it would considerably weaken our proposed new offence.

Consultation responses highlighted a concern about the number of properties that are left empty on a long-term basis. They argued that such properties can crumble into disrepair and might be seen as a blight on the local neighbourhood. But permitting squatters to occupy derelict, crumbling, unsafe houses cannot be the answer. We are doing a number of things to encourage absent owners to make better use of their properties.

We want to increase the number of empty homes that are brought back into use as a sustainable way of increasing the overall supply of housing, and to reduce the perception of neglect that can blight neighbourhoods. Reducing the number of empty homes will also help to reduce the incidence of squatting. That is why we have announced £100 million of capital funding within the affordable homes programme to tackle problematic empty homes—that is properties that are likely to remain empty without extra direct financial assistance from the Government. This programme will deliver at least 3,300 affordable homes by March 2015, as well as engaging local communities in dealing with empty homes in their area.

Amendment (c) is designed to exempt squatters from the offence if they occupy residential buildings before the date of commencement. Let me be clear that we have no plans to punish people retrospectively. If they have squatted in the past but are no longer squatting when the offence comes into force, the offence will not apply. However, we would be creating a significant loophole if we exempted squatters who initially entered the building as a trespasser in the run-up to commencement even though after commencement of the offence they remain in the building as a trespasser, they know or ought to know that they are a trespasser and that they are living there or intend to live there. Such an occupation would be no less painful for the property owners concerned.

I appreciate that the hon. Gentleman and others are concerned that the new offence might penalise vulnerable, homeless people who squat in run-down residential properties. One of the reasons they remain in this state is, as I said, because the owners cannot get in to renovate them. It would be much better for us to introduce an offence that is capable of protecting law-abiding property owners and occupiers on the one hand, while working with other Government Departments, local authorities, the police and homelessness charities to continue to address the root causes of homelessness and to mitigate any impacts the new offence might have on the levels of rough sleeping.

We are prioritising spending on homelessness prevention, investing £400 million over the next four years, with the homelessness grant being maintained at the 2010-11 level. For the first time, we have also brought together eight Departments through the ministerial working group on homelessness to tackle the complex causes of homelessness. The group published its first report "Vision to end rough sleeping" in July 2011, which sets out joint commitments to tackle homelessness and to ensure that nobody has to spend more than one night out on our streets—"No Second Night Out". This includes actions to prevent homelessness for those people without a stable home who may be at risk of rough sleeping. For those reasons, I invite the hon. Gentleman to withdraw his amendments.

Caroline Lucas (Brighton, Pavilion) (Green): It feels as though we are in a different world when the Minister describes these as measures to tackle homelessness and when one considers everything that the Government have been doing with their housing benefit cuts and with their cuts in shared room rate, which organisations say will cause thousands more people to become homeless. Is he not cognisant of those arguments being put forward very forcefully by those charities?

Mr Blunt: I absolutely support the measures being brought forward by my colleagues at the Department for Communities and Local Government. The Minister for Housing and Local Government is absolutely right. One cannot but be impressed by his huge determination in chairing the ministerial group to address this issue. It is the other side of the equation, and I hope that it addresses the amendments and answers the question from the hon. Member for Islington North.

The hon. Member for Strangford (Jim Shannon) asked about linking up with the utility providers. It is already an offence under the Theft Act 1968 to use electricity without authority and the maximum penalty for that is five years' imprisonment.

I hope that the House will welcome this move to protect home owners and lawful occupiers of residential property from squatters.

8.45 pm

Mr Slaughter: It is pleasure to have the Under-Secretary of State for Justice, the hon. Member for Reigate (Mr Blunt), at the Government Dispatch Box this evening.

[Mr Slaughter]

It is a shame that the Lord Chancellor is not here, but of course he was also absent when the provision was announced by the Prime Minister at the famous press conference on 21 June, when most of today's business first saw the light of day, including the clause we have just debated. At times it appears that there is a parallel Bill: the agenda that the Government wish to present to the media, or which the media dictate to the Government.

Sadly, the consequence for the House is that we do not have the opportunity to scrutinise the legislation properly. I do not know whether that is because the Government have no confidence in or commitment to their own legislation and are simply going through the motions, as we saw a little while ago, but the process of formulating the policy has been absurdly rushed, even by their standards. It is wholly inappropriate to introduce major changes to criminal law on Report. For that reason, among others, I suspect that the provisions will have a rather more torrid time in the other place than they will have here tonight.

Squatters are a nightmare for homeowners and tenants alike. The Criminal Law Act 1977, which the Minister mentioned, makes it a criminal offence for any person not to leave premises when required to do so by "a displaced residential occupier" or "protected intending occupier" of the premises. Furthermore, parts 55(1) and 55(3) of the Civil Procedure Rules allow owners to evict someone from a residence they do not occupy. An interim possession order, backed up by powers in section 76 of the Criminal Justice and Public Order Act 1994, mean that a criminal offence is committed if an individual does not leave within 24 hours of such an expedited order being granted.

As the Minister confirmed in his opening remarks, new clause 26 seeks to deal with squatting in vacant properties for which there is no imminent plan for residency. The clause, as drafted, applies only to residential properties and will not apply where there has been a previous landlord and tenant relationship between the occupier and the owner. Those are not the cases that typically attract the media's attention. For example, the case of Dr Cockerell and his wife, who was pregnant at the time, was widely reported this September, in the *Evening Standard* and other newspapers. In that case the police wrongly said that the case was a civil issue and not one for them. As I understand the facts as reported, Dr Cockerell and his wife would have been protected intending occupiers and the police should have intervened. I fear that their failure to do so is not atypical. I remarked in Committee that if we had a pound for every time the police said that something was a civil matter when someone goes to them, we would probably be able to build affordable housing in the country, unlike what the Government are doing. I worry that the Government are trying to introduce new legislation without implementing the legislation that already exists, which is clearly the case in the examples I have given so far.

Jeremy Corbyn: My hon. Friend is old enough to recall the lengthy consultation that took place before the 1977 Act was introduced. It specifically distinguished between an occupied property and a property that had been left empty for a very long time. The issue at the time, particularly in London, was that vast numbers of empty properties were being squatted. That law was a product of consultation. There has been no consultation on this—*[Interruption.]* Well, there has been very limited consultation, but certainly not in the House, about criminalising people who are actually extremely desperate for all the reasons pointed out by my friend the hon. Member for Brighton, Pavilion (Caroline Lucas).

Mr Slaughter: I think I was doing my politics A-level at the time, so I might have studied the Act as part of that. My hon. Friend makes an important point about housing need that the Minister, to be fair to him, also addressed, and I will move on to that in a moment. I will not say what grade I got in my politics A-level—*[Interruption.]* Let us just say that it probably would not impress the Education Secretary.

We share the anger of people whose properties are damaged or vandalised by squatters. That is always wrong, and it is right to decry such behaviour. It is also right to say that there are, for want of a better term, lifestyle squatters—people who are part of the something-for-nothing society. We disagree with that, and we support the criminalisation of their activities. However, many squatters are homeless, and often have severe mental health or addiction problems.

It may be a sign of the Government's topsy-turvy logic that in one part of the Bill, which we support, they seek to divert those with mental health and drug problems from the criminal justice system, but this part may criminalise those very people. At the same time, we are seeing some of the most swingeing benefit cuts in history. Housing benefit has been mentioned. In constituencies like mine, thousands of families will be forced to move because of the cuts in housing benefit, or may lose their properties. Incompetence by the Department for Work and Pensions and its private sector agents, such as Atos Healthcare, is causing a rise in poverty and homelessness. We are seeing a massive increase in appeals on welfare benefits, and 170 extra staff have been hired by first-tier tribunals to deal with those appeals, many of which are successful. That is one reason why we oppose the Government's proposals on social welfare legal aid.

I wish that yesterday we had had the luxury that we have today—a timetabled programme with knives to grandstand some of the Government's proposals. The House is thinly attended and the debate is frankly low key, whereas yesterday the Government engaged in talking out important measures on which many hon. Members wanted to speak. I noted what the Secretary of State, or it may have been the Under-Secretary of State for Justice, the hon. Member for Huntingdon (Mr Djanogly), said about our debates tomorrow. I hope that we will have the debates that we want tomorrow, including those on part 2, and that Government Whips will not employ their tawdry tactics again.

Some 40% of homeless people have squatted, as my hon. Friend the Member for Islington North (Jeremy Corbyn) said, and 6% of homeless people are squatting at any one time. There is a significant prevalence of mental health problems, learning difficulties and substance addiction in those who are homeless.

This afternoon, I opened a new project for homeless people in my constituency. Very experienced people from organisations for the homeless—they were not trying to be party political in any way—asked me a question that I could not answer. They said that the

Work and Pensions Secretary talks about an underclass, or a feral class as the Justice Secretary also said, and says that the Government want to take action to help problem families and to relieve poverty at the bottom of society, so why do they wish to take measures that could criminalise those same people?

The Government are clearly being tough on squatting, and we have no objection to that, but they are being incredibly weak, contrary to what the Minister said, on the causes of squatting. In fact, their impact assessment gives a hint of who the people are who often end up squatting. It says:

"Local authorities and homelessness...charities may face increased pressure on their services if more squatters are arrested/convicted and/or deterred from squatting. Local authorities may be required to provide alternative accommodation for these individuals and could also face costs related to increases in rough sleeping in their areas. An increase in demand for charities' services (food/shelter etc.) may negatively impact current charity service users...There may also be a cost to society if this option is perceived to"

be

"unfair and/or leads to increases in rough sleeping."

The pièce de résistance is:

"It has not been possible to quantify these costs."

The Government accept that there will be pressure on services, but say that they cannot quantify the cost. Why? They do not know how many people squat. I believe—the Minister will no doubt correct me if I am wrong—that the civil servants have used figures from squatters' organisations to estimate how many squatters there may be. The Government's estimate is that there are between 340 and 4,200 criminal squatting cases across England and Wales, and that the Crown Prosecution Service will charge between 850 and 10,600 offenders.

The Government accept in their response to the consultation that

"as with any criminal offence there would be an operational discretion as to whether a person should be charged with an offence."

I think that goes without saying, but they say it in particular with respect to hikers who take refuge in a house to take shelter from the elements. *[Interruption.]* I am glad that the Government Whip, the hon. Member for Lichfield (Michael Fabricant), is interested, and I will say a bit more about that. It is a problem that the Government see as a possible unintended consequence of the new legislation. They state:

"The Government accepts that hikers who occupy a residential building in these circumstances might be committing an offence as a result of its proposals. In practice, however, it seems unlikely that the property owner would make a complaint",

so that is all right. They continue:

"Even if a complaint were made, as with any criminal offence there would be an operational discretion as to whether a person should be charged with an offence. The Government considered creating a 'reasonable excuse' defence to allow for this type of situation, but was concerned that such a defence would be open to abuse and might render the new offence toothless."

I have seen some pretty shoddily justified legislation in my time, but that really is an "on the one hand, on the other hand" explanation.

I hope that at the very least the Minister will tell us whether his intention is to apply the discretion that he wishes to see applied to hikers, an important category of citizen, to those who occupy empty properties out of desperation—the people the Government's own impact assessment states would now have to resort to sleeping rough. They could include people with mental health or addiction problems whom it may be more appropriate to treat than to detain in jail. I have heard the Minister make that argument in another context in Committee. I note that this farrago and confusion would not have happened had the appropriate parliamentary process been followed.

It is common practice in a Second Reading debate—this increasingly feels like Second Reading, when we see measures for the first time and pass general comments on them—for a proposal that has some merit but needs refinement to be allowed through. That is what we intend to do today. We support the idea that there may be categories of squatters who need to be criminalised, although we say that the current criminal law is not being properly used in that respect.

I hope that the Minister will not think that our decision to allow matters to proceed is an unthinking endorsement of his position. Those who think squatting an acceptable lifestyle choice should be under no illusion about the fact that we disagree, and we support the criminalisation of what is, frankly, arrogant behaviour. For that reason, we believe it is right to allow the matter to be scrutinised in another place. However, there remain issues to consider and more thought and deliberation to be done before the new clause reaches the statute book.

I hope that the Government will at the very least consider the issues that I have raised today, and those that other hon. Members will no doubt raise, and keep them in mind when they feel the endorphin rush of a few cheap tabloid headlines again. I hope that they will think seriously about all the implications of the new clause and come up with something a little clearer, better defined and less vague.

The Minister will no doubt say that I am giving less than wholehearted support. Not true. We support the Government's intention, but we believe that because they have once again rushed matters towards the statute book, they have not given them proper and clear consideration thus far. Once again, they leave it to another place to do that.

Mike Weatherley (Hove) (Con): Today is a good day for the law-abiding citizens of this country and a bad day for those wanting something for nothing. Since my election nearly 18 months ago, I have been campaigning to criminalise squatting, including in an excellent Westminster Hall debate with the Minister about a year ago. I congratulate the Government on tabling the new clause.

I wish to dispel once and for all the myth that squatters and homeless people are one and the same. My Hove and Portslade area contains both wealth and deprivation. It is a Mecca for every character imaginable, and that is what makes it such a wonderfully diverse place to live. Homelessness is an issue, and we have a fantastic support network of local charities, including Emmaus, Brighton Housing Trust, the YMCA and Off the Fence, which looks after a great number of vulnerable people through Project Antifreeze—indeed, I will visit Off the Fence again this Friday. It is our duty to look after homeless people. I fully support all the excellent work being done and the Government's commitment to do even more.

9 pm

In my experience, squatters rarely fit the profile of the vulnerable people whom we should be looking out for. Serial squatters know the law. They are web-savvy and highly resourceful. They run rings around the law, and what professional squatters lack in respect for other people's property they make up for in guile and tenacity. They are organised and frequently menacing, as we saw last night outside this place. When they entered a property in Hove recently, a web advert went out, and squatters from as far afield as Bristol turned up to party. They were not vulnerable persons looking for a bed for the night. Many simply wanted to have a good time in a nice city for nothing.

In another case, a lady in my constituency sadly died. While her family were sorting out the funeral arrangements and the sale of her estate, the squatters moved in. They refused to leave no matter that they knew they were causing distress. Ten thousand pounds in legal fees later, the family finally got their mother's treasured keepsakes back.

In another instance, when evicted from one property, the squatters simply moved in next door. I understand that they did so through a hole in the wall they made while waiting for the eviction notice.

Those examples are unacceptable and must be stopped. In all cases, there were no recriminations against the squatters, who got no criminal record and no financial penalty, and no damages were paid to the homeowners. The squatters simply move out of one property and into the next with the knowledge that they can do so under existing law.

I have discussed the issue with Sussex police, whose powers are limited even when the property is clearly being lived in. A police inspector in the city of Brighton and Hove tells me that in 18 years, no one has been prosecuted for any offence directly in relation to squatting. The squatters know that. Even where utilities are being used illegally or where there is forced entry, there are usually no witnesses, so arrest is often difficult.

A local resident asked me in my local paper, *The Argus*:

"If squatting is a practice that is socially unacceptable, how is leaving a property empty for more than a year any more acceptable?"

My answer is simple: it is not acceptable at all. I have contacted my local council on a number of occasions about the issue of empty buildings belonging to exploitative developers, and I fully support the Government's moves to use taxation as encouragement. However, we should be careful not to embrace squatting on the principle that our enemy's enemy is a friend. We must get tough on bad landlords soon, but buildings can be temporarily empty for all sorts of reasons, many of which are entirely acceptable, as we have heard.

The pro-squatting movement would have us believe three things, the first of which is that the existing powers are enough. They are not. In all situations, including even when a property is being lived in, a justice of the peace or commissioner of oaths must be involved before the police can remove the squatters, which adds to the delay. In that delay, the squatters are sleeping in people's beds, watching their TV and eating their food.

Secondly, pro-squatters would have us believe that squatters actually improve the properties they are in. I have thrown down the gauntlet to every squatting organisation in the country to show me one single squat where that is the case, and so far not one has been forthcoming. I am not surprised. Damage and destruction is the norm. Squatters do not run around with the hoover before they leave.

Thirdly, pro-squatters would have us believe that if squatters were not squatting, they would be homeless and a burden on the state. Not only is that simply not true, but even if it were, squatting would not be the answer. Support and assistance from the state is to be encouraged for those who need it rather than living in often unfit and dangerous conditions.

The new clause is a good piece of additional legislation that most people in the country will welcome. More could have been added, and I hope it will in due course. We might find that some of the exemptions should not be exemptions. I will be keeping a close eye on them to ensure that they do not turn into loopholes or simply displace targets for the professional squatters. However, I support this important legislation, and I am pleased to have played some part in progressing it to this stage.

John McDonnell (Hayes and Harlington) (Lab): I want to follow on from the previous debate and the discussion of the method of making legislation. Making new laws, especially ones that can put people in prison for up to a year, is an extremely serious matter, so judgment cannot be undertaken or driven by anecdote, prejudice or media headlines.

There are questions that have to be considered for wise judgment. What is the problem to be addressed? Is it real? What is the scale of the problem? Is there an existing law, and if so, is it defective in a way that renders it ineffective? If we are to make legislation of this sort, what are the consequences of creating a new crime for the people seeking a remedy in this way and for those who will be brought into the criminal justice system? What are the consequences and implications for the resources, operations and standing of the law enforcement agencies and our communities overall? Finally, during my years in the House, I have learned another key question: will it cause more problems than it seeks to cure?

Is there a significant problem with squatting in residential properties? To be frank, the evidence produced by the Government so far has not demonstrated this. There have been some highly publicised cases in the media and statements by MPs and Ministers, but no hard evidence. The Government's consultation paper acknowledged the lack of statistical evidence. For instance, the equality impact assessment states that

"there is no consensus on the true extent of squatting, or the proportion of squatting that is in residential buildings."

Based on a number of assumptions—I agree with my hon. Friend the Member for Hammersmith (Mr Slaughter) that many of them were supplied by squatters themselves or housing campaigning associations—the Government estimate that there might be between 200 and 2,100 criminal squatting cases in residential properties across England and Wales. That is a tenfold range, demonstrating the inexact nature of the Government's evidence.

In the response to the Government's consultation, only seven victims of squatting in residential properties came forward. The lack of evidence has led the Law Society to object to changes in the law that are not

evidence-based and the Magistrates Association to express its reluctance to see new laws created without proper analysis. This is the first time that I have been in alliance with the bench.

Is the current law defective? Even if only a small number of people are affected, it is right that we sympathise with them and ensure that action is taken to protect them. If the law is defective or lacking, there should be a remedy, but most legal authorities that commented during the consultation felt that the existing law was sufficient. As has been said, under existing law, it is already a criminal offence for a squatter to refuse to leave someone's home or a home that they are about to move into.

Mike Weatherley: Would the hon. Gentleman not agree that the squatters should not be there to start with?

John McDonnell: I shall move on to that; I understand the hon. Gentleman's point.

Under section 7 of the Criminal Law Act 1977, it is already an offence for any person on a residential premises not to leave

on being required to do so by or on behalf of...a displaced residential occupier...or...protected intending occupier".

According to the response to the consultation, the Metropolitan police said that

"the law was broadly in the right place and that the existing array of offences allowed them to tackle the worst cases of squatting (e.g. where squatters cause the rightful homeowner to be displaced)."

The Law Society and the Criminal Bar Association confirmed the same view. The Law Society stated:

"The consultation paper acknowledges that there are no reliable data on the nature and extent of squatting. In the absence of any such evidence, we have no reason to believe that the existing law does not deal adequately with squatting."

It went on to describe the operation of section 7 and confirmed that no evidence had been produced to demonstrate that it did not work adequately when properly used. Those concerns were confirmed by the Criminal Bar Association.

The Law Society reported that section 7

"is not often used, as squatting happens infrequently, but where it is our members"—

that is, the lawyers concerned—

"report that it is extremely effective."

These are the responses to the Government's own consultation.

Everyone in the House has to support evidence-based policy making. From all the evidence and information to hand, including from the Government's own consultation and impact assessment, we must conclude that there is no evidence of a problem on any significant scale, that there is conjecture that it exists and that in the judgment of practitioners—not just the advocates, but the law enforcers—the existing law is sufficient.

Tracey Crouch: Does the hon. Gentleman not consider that one of the flaws with the current legislation is section 6 of the 1977 Act, which allows squatters to claim rights to a property, thereby making it difficult for owners to get rid of them?

John McDonnell: I cannot accept that when section 7 enables people to request squatters to leave. If they do not, they are committing a criminal offence, and the law should be enforced by the police under existing legislation.

Mr Blunt: It is important to make it clear that section 7 does not apply to second home owners, landlords, vacant properties or probate properties, so even if applied satisfactorily, it is not the answer.

John McDonnell: The point made by most people in the consultation, including the police, is that if elements of section 7 need tidying up, there should be a proper discussion about that. However, to criminalise an entire group in society is to over-react to a problem that is relatively minor, although I do not wish to underestimate the problem that appears to be caused to some home or property owners.

Jeremy Corbyn: Will my hon. Friend inform the House exactly when new clause 26 was published and how long people have had to comment on it, including those from the Law Society and elsewhere?

John McDonnell: I will come to that, because we need to learn lessons across the House about the appropriateness of how we have legislated in recent years. I have sat in this place and seen bad law produced as a result of rushing things—it happened under the last Government and it is happening under this one—and a lack of judgment about how much consideration each piece of legislation needs.

Kelvin Hopkins (Luton North) (Lab): Will my hon. Friend give way?

John McDonnell: I will, but I would like to press on, because others want to speak.

Kelvin Hopkins: Is there not a hint of short-term populism in what the Government are doing? Does my hon. Friend think that even the Government might come to regret it if they press their case?

John McDonnell: I went through 13 years of new Labour, so commenting on short-term populism might not be the most appropriate thing. I would not say: "A plague on all your houses!", but let us all learn a few lessons.

Andrew George (St Ives) (LD): Just so we are clear about the hon. Gentleman's position, does he agree that it is unacceptable for anyone to be made homeless as a result of the kind of actions that we are talking about? Does he also agree, as a consequence, that passing new clause 26 in its current form would place an additional burden on the legal aid budget?

John McDonnell: I wholeheartedly agree.

Let me press on, because others want to speak. Clearly there are a small number of cases, which we have already identified, that have caused genuine concern. The problem appears to be not with the existing law, but with its operation, as the consultation has made clear. Annington Holdings plc, a property holder of considerable size, said:

"In Annington's experience enforcement is the crux of the problem; our past experiences have shown that delays arise in removing squatters from properties due to limitations on police resources."

[John McDonnell]

If the current problem is with police resources, the question—which has been raised by the High Court enforcement officers, the Criminal Bar Association and the Law Society—is whether the police would have the resources to enforce the law if a new offence is created, when they appear to be unable to enforce it against the existing offences. The Met has acknowledged that and is seeking to address it, as my hon. Friend the Member for Hammersmith and the Minister have said. The Metropolitan Police Service said in its statement that there was a lack of training and practical knowledge on the law on squatting, particularly section 7 of the 1977 Act, which may be a barrier to effective enforcement, and that it was conducting further training to address the issue.

By criminalising squatting, the new clause certainly does not appear to be needed, but it will have consequences if introduced, some of them unintended. The new law will have consequences for those who will be brought into the criminal justice system for the first time, and it is worth repeating who those people are likely to be. The housing charity Crisis commissioned research into squatting from the centre for regional, economic and social research at Sheffield Hallam university, which was published only a month ago, in September. It found that, by and large, squatters were homeless people. The House of Commons Library note sets out for Members that

"squatting is a common response to homelessness",

and that

"most homeless people who squat try other avenues to resolve their housing problems before squatting"

9.15 pm

My hon. Friend the Member for Islington North (Jeremy Corbyn) said that 40% of single homeless people had squatted at some time. Furthermore, 6% of the homeless population are squatting tonight, 41% of homeless squatters report mental health needs, 34% have been in care, 42% have physical ill health or a disability, 47% have experienced drug dependency, 21% are self-harming, 15% have a learning disability, and 90% have slept rough. Those are the people whom this legislation is about to criminalise.

The Crisis survey found that many of those people had no alternative, and that 78% had approached the local authority for help and been turned away. Among the housing charities—Crisis, Thames Reach, Shelter, Homeless Link, Housing Justice, St Mungo's—there is a fear that the new legislation could criminalise extremely vulnerable people and force them into more dangerous situations, particularly rough sleeping.

Kate Hoey (Vauxhall) (Lab): I entirely support what my hon. Friend is saying. Does he agree that this will be particularly bad law because it is going to be retrospective? It will apply to people who are squatting at the moment, and who thought that they were doing so legally. The House should not be pushing through this legislation in this ridiculous way, without scrutiny.

John McDonnell: I believe that it will damage a large number people's lives, some of whom are squatting at the moment for no other reason than that they are homeless. They will be criminalised by this retrospective legislation, which is something that I thought Members of all political parties across the House had rejected.

What will be the effect of the new law on squatters' lives? We know that many, although not all, vulnerable people live chaotic lives. They will be fined up to £5,000 or face up to a year in prison. Not many will have the resources to pay the fine, so prison will be a reality for a significant number of them. I have heard no estimate from the Government of the extent to which this will swell prison numbers. I fear that people will be drawn into a cycle of squatting and going to prison. One third of people coming out of prison have no home to go to, so they will get back into the squatting cycle.

I hope that the House will not pass the new clause into law, but if it is determined to do so, I have tabled amendments to ameliorate its impact. Amendment (a) would provide that squatting remains a civil matter in all residential buildings that had been left empty long term and were not being brought back into use. This would ensure that residential buildings that had been lived in recently or that were being brought back into use would be covered by the criminal law. That includes the question of refurbishment that was raised earlier.

I have looked at the statistics cycle over the past five years and found that, on average, between 650,000 and 700,000 residential properties stood empty during that time. Most are private properties, and 300,000 have been empty for more than six months. When there are 40,000 homeless families, 4,000 people sleeping rough in the capital, and 1.7 million households on waiting lists, desperate for decent accommodation, it is immoral that private owners should be allowed to let their properties stand empty for so long. My amendment could force those irresponsible owners to bring their properties back into use. More importantly, it would mean that desperate people who need a roof over their heads would not be criminalised for resorting to occupying a property that was being wasted by its owner.

It is not for me to criticise the Speaker, of course, but I regret that my amendment (b) was not selected. I had hoped to try to persuade the House to protect the most vulnerable people in our society from being dragged into the courts, but I am sure that there were good reasons for not selecting it, and perhaps it will be debated in another place.

My amendment (c) would address the fact that the present wording of the new clause criminalises those who are currently squatting in a residential building. It is one of the principles of good government that retrospective legislation is unjust. I should like to quote from article 11, subsection 2, of the universal declaration of human rights:

"No one shall be held guilty of any penal offence on account of any act or omission which did not constitute a penal offence, under national or international law, at the time it was committed."

There is a basic injustice about retrospective legislation, and I hope that the House will accept that and address it at some stage in this Bill's consideration.

Finally, there is a mounting housing crisis. I criticised the last Government as much as this one for their failure to address the supply of decent housing. We have got the return of appalling housing conditions in my constituency—overcrowding, high rents and the return of Rachmanite landlords. People are desperate

and will resort at times to any means to put a decent roof over their and their family's heads. Squatting is sometimes the only way. People should not be criminalised for wanting a decent home.

The new clause is being rushed through Parliament. The Secretary of State launched in July a consultation on a range of proposals to criminalise squatting. The consultation ended in October. More than 2,000 responses were received, 90% of them opposed to the Government's proposals. Clearly, there has been no serious consideration of the consultation responses because the clause was brought forward only three weeks after the consultation closed. This is rushed legislation, and rushed legislation, as I have said, is generally poor or bad legislation. The consultation, if it had been properly taken into account, made it clear that the current laws were sufficient to deal with any abuse. Professionals, police and others have told us so. My fear is that we now risk putting people on the streets and possibly into prison because our society has failed to provide them with a decent home. If this clause goes through tonight, I believe that many will regret it.

I give notice that I wish to press amendment (a) to a vote.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. As Members can see, a considerable number still wish to participate in the debate. As we want to listen to the Minister and the knife falls at 10 o'clock, I call for brevity and short speeches.

Mike Freer (Finchley and Golders Green) (Con): I commend the Minister for listening to our concerns and introducing these proposals. I also pay tribute to my hon. Friends the Members for Hove (Mike Weatherley) and for Bury North (Mr Nuttall), as we have been pressing the Government for action for some time. I am grateful to the Minister for his courtesy on this issue.

Labour Members commented that they did not see a need for this Bill, as they thought that there was some parallel Bill. I have to say, having listened to some Labour Members, that they seem to be living in a parallel universe. If there is not a squatting issue, why is it that three houses in my constituency were squatted in one week?

My concern is about the residential squatters and the homes they squat, which are often not derelict or abandoned properties. Those properties can be dealt with. Councils such as my own London borough of Barnet routinely issue improvement notices. If landlords do not bring the properties up to standard or back into use, they use the threat of a compulsory purchase order to bring the landlords back into line. On every occasion I have seen that used, the property has been refurbished and brought back into use. There are methods of dealing with abandoned and derelict properties without giving a charter for squatters.

The issue of residential squatters is not just one about mansions or large houses lying empty for year after year. The houses to which I refer in my constituency have been refurbished between purchase and occupation. These are houses that are going through probate or whose owners are on extended holidays. When the owners come home, they find their property occupied by somebody else, who is not necessarily homeless. As we have seen in the papers recently, it is often organised gangs that occupy family properties that are clearly occupied, clearly in use and clearly not abandoned.

I listened to what Labour Members said about squatting already being a criminal offence and the police having powers to deal with it. If so, why is it on every occasion in my constituency that the police have stood by and said, "Sorry, guv, but it is nothing to do with us; it is a civil matter"? The current law is defective; the current law needs clarifying; and these proposals do that.

I was intrigued to hear the argument that homelessness is some excuse for squatting. Is it okay for people to say, "I don't have a house, so I'll have yours. Thank you very much."? I am not sure whether that is what Labour Members are genuinely saying.

We heard the argument that pennilessness is an argument for squatting. Is it also an argument for mugging? If I am penniless and go out and mug somebody, is that all right? Is that what Labour Members are really saying?

I have read the amendments, and I understand the problems of those who have been in shelters for the homeless or domestic violence refuges or have received mental health support. However, I also know that many people in need of mental health support squat not because they are not being given that support, but in order to evade the very support they need. If we can deal with squatting, those with mental health problems will have a better chance of benefiting from the intervention that they both need and deserve.

Hard-pressed taxpayers and home owners who have worked hard, have bought their houses and pay their mortgages are demanding change and protection. I support the new clause because it will provide the very necessary protections that those people require.

Mr Deputy Speaker (Mr Nigel Evans): I thank the hon. Gentleman for his brevity.

Jeremy Corbyn: Like other speakers, I shall be as brief as possible, because a good many Members clearly want to say something about this issue. I commend the amendments tabled by my hon. Friend the Member for Hayes and Harlington (John McDonnell), the way in which he presented them, and the background information he provided.

New clause 26 first saw the light of day only a few days ago. This is effectively a Second Reading debate, but it provides the only chance that the House will have to discuss a major change in legislation that will result in criminalisation. I predict that in years to come, Government and, indeed, Opposition Members will complain that a person has been criminalised because they were homeless—that a person who occupied someone else's house was put in prison for a year, which would cost the rest of the community about £50,000.

This country has a long and chequered history when it comes to squatting. It goes back to the Forcible Entry Act 1381, which became law during the Black Death. The issue has arisen time and again during periods of great stress: it arose at the end of the Napoleonic wars, at the end of the first world war and at the end of the second world war, when there was widespread squatting because of a terrible shortage of housing.

[Jeremy Corbyn]

The Criminal Law Act 1977, which I mentioned in an intervention earlier, was introduced after a great deal of consultation by the then Labour Government. There was a fair amount of opposition to the legislation, which distinguished specifically between the act of taking someone's house when that person was occupying it and the act of occupying a property that was being kept empty. The property might be empty as a result of the inefficiency of a local authority or housing association—or, in some cases, a charitable landlord—but more often it would be kept empty deliberately while a property speculator waited for its value to rise before seeking to possess it and sell it to someone else; and, at the same time, a large number of people were homeless on our streets.

Crisis and other charities have produced interesting statistics and arguments. It has been claimed that 40% of homeless people in the country have squatted at some point, and that because the housing crisis means that there will be more people on the housing waiting lists and more without access to houses, there is likely to be more squatting.

Let me tell the hon. Member for Finchley and Golders Green (Mike Freer) that it is very easy to stand up in the House and say that no one should ever occupy any empty property, but it is another matter for someone who is homeless, has applied for local authority housing but is deemed not to be vulnerable as a single person, and is therefore not eligible to be nominated for a council or housing authority property. Those who try to rent a property in the private sector anywhere in London will find that renting a one-bedroom flat costs a minimum of £150 to £200 a week, renting a two-bedroom flat costs £250, and renting a house costs between £400 and £500. When the very same Government who are lecturing someone about occupying a property that has been deliberately left vacant are preventing that person from obtaining housing benefit to pay such rents, what can the person do? It is all very well for us to lecture, but what can that person actually do?

I believe that the existing law can deal with most of the concerns that have been expressed. There are some cases in which people have behaved disgracefully and driven others out of their homes when they should not have done so, but the 1977 Act is designed to deal with such cases. They can be dealt with through selective, specific and well-thought-out legislation, rather than through the approach that is being adopted in the House this evening.

We shall press amendment (a), tabled by my hon. Friend the Member for Hayes and Harlington, to a Division. It covers only residential property that "has been empty for six months or more". Parliament has a responsibility to recognise that there are 700,000 empty properties across the country and a very large number of people who are either homeless and sleeping on the street, sofa-surfing before they run out of friends entirely, sleeping in cars, or just trying to get somebody to put them up for a night before they move on. I assume all Members have met such people in their advice surgeries. What do we say to them? Do we say, "It's your problem; you go and solve it," or are we a society that tries to help everyone and make sure everyone gets somewhere to live and has a secure roof over their head?

9.30 pm

I shall conclude by quoting from a letter from Sarah Evans. She was the Labour parliamentary candidate for North West Hampshire in 2010, but, unfortunately, she was not elected. Her letter is directed more to people in my party than to anybody else:

> "It beggars belief what sick logic can bring a government to condemn and criminalise some of the most vulnerable people in society for successive governments' failures to build enough council homes—a policy which is forcing people to live on sofas and the streets.
>
> We have five million people in 1.8 million households on council waiting lists, there are many more 'sofa-surfers' who don't even register on the homeless figures.
>
> We have a hyper-inflated housing market caused by the shortage of council homes."

In order to deal with this issue, we must invest in homes. We must invest in council properties, control rents and stop the obscene profits that the private rented sector is making as a result of the housing shortage. Then, we will begin to see a solution. Criminalising people is not a solution.

Tom Brake: Squatting clearly has a devastating impact on private owners, and it can also have a devastating impact on councils. When I was a councillor in Hackney back in the late '80s, it was eventually discovered that many council properties were squatted, and that in many cases council employees had sold the keys to the squatters. We clearly need to tackle squatting, therefore. I would have welcomed a fuller debate on the matter, however, and I now want to raise a few points that would, perhaps, have been more pertinently raised in Committee, if that stage had taken place.

The first aspect of new clause 26 on which I seek clarification is proposed new subsection (3)(b), which states that

> "a building is 'residential' if it is designed or adapted, before the time of entry, for use as a place to live."

Could a commercial building be so "designed" or "adapted", and what would be required for that to be achieved? Would simply placing a bed in a commercial premises be enough for it to be "designed" or "adapted" as "a place to live"?

The second point on which I seek clarification relates to proposed new subsection (4) on the "permission of a trespasser". If a person has not been informed by someone who is a trespasser that they are in a building that they are squatting, and that person then squats in that property, would they be guilty of the offence of trespass? I hope the Minister can provide some clarity on that point.

At the risk of the Opposition accusing me of trying to have my cake and eat it, I will say that the hon. Member for Hayes and Harlington (John McDonnell) has raised some interesting points in amendment (a). Setting a bar of six months would not be appropriate, however, because there are many circumstances in which people might legitimately choose to leave a property empty—for example, if they are abroad for a year. However, I am sure that every Member of Parliament here tonight probably has one, two, three or possibly more properties in their constituency that have been empty year after year—possibly for decades. I know for a fact that residents living on either side of such properties may prefer to have someone in them so that the property

is not allowed to fall down, be taken over by foxes, have trees growing in the front room and so on. I accept that the difficulty lies in trying to distinguish between those cases and cases where a squatter takes advantage of a property. The amendment raises an interesting point and I hope that the Minister will be able to respond to it.

Nadine Dorries (Mid Bedfordshire) (Con): Is the right hon. Gentleman truly saying that neighbours on either side of a property would prefer to have squatters in it than to have foxes in it or trees growing in it? Is that actually what he is saying?

Tom Brake: I think that the hon. Lady may, if she examines her constituency cases, find some examples where people are frustrated at the length of time—it could be years—that a property next to theirs has been empty and has been allowed to fall into disrepair, with all the environmental and other dangers associated with that.

Simon Hughes (Bermondsey and Old Southwark) (LD): I just want to try to disabuse the hon. Lady of a simplistic view about this. The council had determined to knock down a block over the other side of the river—the Pullens estate in my constituency, which is a fantastic old estate—but it was squatted, as were some estates in Surrey Docks. Had that not happened, these places would have been demolished. They were squatted, they were kept, they have been refurbished, and they are now properly let and in use. So this is not nearly as simplistic as it has been made out to be, and often people would rather a property was occupied than sitting empty.

Tom Brake: I thank my right hon. Friend for his intervention, which provides its own explanation.

The final point that I wish to make is about the retrospective nature of the provision as, again, it is an area that the Government need to examine carefully. As we have not had an in-depth debate here tonight, I suspect that it may well be a point that is examined much more closely when the matter is raised in the other place.

Kate Hoey: I, too, wish to congratulate my hon. Friend the Member for Hayes and Harlington (John McDonnell) on the way in which he spoke, because this issue too often becomes one of exaggeration, where inaccurate things are said on both sides. He gave a very reasoned outline of why this coalition Government are rather silly in proposing this measure at this time and in this way. I, too, have been in this place a long time and I have seen legislation go through as a knee-jerk response to something that has happened. Very often people later regret very much that such legislation went through.

It is quite wrong that something that has been introduced so recently, and where a substantial number of people in a consultation—90% of them—were opposed to it, is being put through in this way. As everyone else has said, this is, in reality, a Second Reading debate. No scrutiny will be provided in the House of Commons on the detail, so all these questions are being raised by different people about different aspects of it and we will not get a full answer. We are abrogating our duty and our responsibilities as Members of Parliament if we allow this measure to go through and hope that it will be dealt with in the other place. I am disappointed that Labour's Front-Bench team is not taking a more robust view on this measure. There is always a danger for politicians in that regard, because they may worry about what the headline will say, but sometimes the headline is totally inaccurate and sometimes it has been devised because of the inaccuracies, the half-truths and the mistruths that have been put around over a period of time. Even at this stage, I hope that the Labour Front-Bench team will consider amendment (a) seriously.

I believe that the retrospective nature of the measure is quite wrong. I also believe that there is squatting and squatting. The public see the difference in the kind of squatting that we have all condemned, whereby people take over someone's house because they are away on holiday. However, there is already a law to prevent that from happening and those Members of Parliament who say that that has not been observed in their area should talk to the police because it means that the police are not enforcing the law.

The kind of squatting that I support is the kind that the right hon. Member for Bermondsey and Old Southwark (Simon Hughes) mentioned, when large blocks of flats and houses that have deliberately been emptied early by a local authority or a private developer sit empty for months or years waiting either for some work to be done or to be knocked down. I see absolutely no reason why people who have come to London as the capital city of their country to try to get work and to live but who have nowhere to live and no chance of getting a local authority flat or of affording a private sector property should not live in those empty properties. Most of those squatters would be perfectly willing to sign something saying that they will move out as soon as work is to start. Instead, we see such places being left empty for years.

I am very sad indeed that we are seeing this knee-jerk response and that the Government are trying to introduce this measure so quickly. They will live to regret it and I hope that even tonight, at this late stage, Members who have come along thinking that there was no debate to be had and that this was a matter of, "Let's just get this through", will think very carefully and will at the very least support the amendment of my hon. Friend the Member for Hayes and Harlington.

Mr David Nuttall (Bury North) (Con): I rise to support new clause 26 and I start by paying tribute to my hon. Friends the Members for Hove (Mike Weatherley) and for Finchley and Golders Green (Mike Freer) who, along with myself, have moved this matter up the agenda. I am grateful that the Minister has listened and that we now have some clarification over this area of law.

I have practised as a solicitor and I can tell the House that, regardless of the 1977 Act, this area of law is completely unclear. It is unclear to the police, to lawyers and to home owners and it certainly is not working. Millions of home owners will be grateful that the new clause is, I hope, going to reach the statute book. There could be nothing worse for someone returning from a holiday than to find that their home has been occupied by squatters. Insult is then added to injury if they are told by their lawyer that they need to embark on a long and complicated civil law procedure, and a costly procedure at that.

[Mr David Nuttall]

I note the point that has been made by Opposition Members about there being doubt about the exact numbers of properties that are occupied by squatters, but the fact remains that if a home owner returns to their property to find it occupied by squatters, it is 100% occupied by squatters and the overall statistics are, frankly, irrelevant.

Let me make one further point about the amendment on which I understand we are to divide. It provides that an offence would not be committed

"where the building has been empty for six months or more".

One point that has already been touched on is of real concern to many people. When a family member dies and leaves a property empty the personal representatives might have to wait many months—often longer than six months—before they can obtain a grant of letters of administration. There are many instances of properties being occupied by squatters in that time and, for that reason if no other, I hope that the House will reject the amendment. The new clause is a great step forward. It is often said that an Englishman's home is his castle and I hope that this will help to reinforce that.

Caroline Lucas: I share the concerns that have been expressed by many Opposition Members about the Government's proposals further to criminalise squatting. I want to highlight just a few of them. My first concern is the justification for the proposals. Squatting can have devastating impacts, and I want proper redress and protection for anyone who returns from a two-week holiday to find their house squatted, or for someone trying to sell their house who leaves it empty only to find squatters have moved in. But the law already stands to protect people in those instances. The major problem in dealing with cases of squatting is not the law itself but the enforcement of the law, including the time it can take for the courts to issue an interim protection order, for example.

In theory, there is no reason why such an order cannot be issued far more swiftly. In practice, I accept that things can take far too long, often compounded by what appears to be a lack of understanding of the law by many police, who are the first port of call for home owners. That is unacceptable and it needs to be addressed, but those delays in implementing the law often result in cases being highlighted in the media, wrongly creating the impression that home owners are not protected in any way from squatting.

The law clearly states when a criminal act has taken place. For example, section 7 of the Criminal Law Act 1977 makes it clear that squatters asked to leave by home occupiers are committing a criminal offence if they fail to do so.

9.45 pm

Mike Weatherley: The hon. Lady is under a misapprehension. The person who comes back from holiday and finds their home squatted has no legal redress other than to ask the squatters to leave. The squatters are already in that property; they should not be there while the owners are on holiday.

Caroline Lucas: The legal redress is to ask them to leave. If the squatters refuse to leave, they are committing a criminal offence. That is the point.

In September 160 housing lawyers wrote an open letter accusing Ministers and politicians of distorting public debate by making inaccurate statements about the law on squatting. I claim that that is exactly what is going on in the House tonight.

Even the Metropolitan police and the Association of Chief Police Officers believe that the current squatting law is sufficient and that a new one would be a waste of police resources that could impact negatively on community relations. We need to see instead efforts increased to enforce the current law properly and swiftly, including better training for police officers.

As many Opposition Members have said, many homeless people are pushed into squatting and do not do so out of choice. The appalling and often dangerous conditions in many squats are hardly attractive. Research by Crisis shows that 40% of single homeless people escape the horrors of rough sleeping by squatting, mostly in disused properties. These are the people who are most likely to be affected by the proposed new law, and who will be unnecessarily criminalised.

Often homeless people will suffer from multiple diagnoses, with a combination of mental ill health, substance abuse and other problems. The challenge is to ensure that practical measures are put in place so that people with the most complex multiple needs can be supported more effectively and squatting avoided in the first place.

Joan Ruddock (Lewisham and Deptford): In my surgeries now for the first time I am seeing people who are not in the categories that the hon. Lady has just described. I am seeing people in work who are losing their accommodation; they cannot keep going in the private sector on the wages that they earn. Those people are becoming homeless without any access to other provision, and some of them will turn to squatting, and I can well understand why.

Caroline Lucas: That is exactly the point I was about to come on to. In my surgeries in Brighton, Pavilion we are seeing levels of homelessness rising. People are coming to me in exactly the situation that the right hon. Lady describes. According to figures from the Department of Work and Pensions, 840 people in Brighton and Hove risk losing their homes as a result of the proposed changes to the shared accommodation rate of housing benefit, making this area of Brighton one of the worst affected in the whole country. So Government efforts must focus much more on tackling the root cause of the problem, not on penalising vulnerable homeless people, including those living in buildings that have been empty for long periods and are not about to be brought back into use.

Part of the solution is investment in affordable housing and so, too, are measures to bring empty properties back into use as soon as possible. Brighton and Hove city council was named 2011 practitioner of the year by the Empty Homes Network for bringing 154 properties back into use over the past 12 months alone. The council's amazing success is down to the hard work it has put into identifying empty private properties and its commitment to working with the owners of those properties where possible.

Insufficient work is still being done about empty properties nationally. The Under-Secretary of State for Communities and Local Government, the hon. Member for Hazel Grove (Andrew Stunell), admitted in response to my oral question that only 46 empty home management orders had been issued in the full five years since they were brought in. That and other steps to tackle the lack of affordable housing in my constituency and elsewhere must be given far more priority than playing political football with the roofs over people's heads.

As many other Members have pointed out, the way the proposal has been brought to the House is completely unacceptable. To say that it was rushed is no exaggeration. This is not proper scrutiny; laws made in this way can only end in problems. The Government's consultation on squatting closed only three weeks ago and I am sure I am not the only person who suspects that the 2,217 responses have not yet been fully analysed, especially as I understand that more than 96% of them expressed real concern about the impact of criminalising squatting. What is more, the option we are asked to consider today was not even included in the consultation.

In conclusion, there is no denying that some high-profile cases raise serious concerns about the need to enforce better existing laws on squatting, but criminalising vulnerable homeless people is inhumane, undemocratic and, crucially, unnecessary.

Several hon. Members *rose—*

Mr Speaker: Order. Before I call the next speaker, I point out that I think the House would expect the Minister to have five minutes to respond to the debate.

Mr David Ward (Bradford East) (LD): Thank you, Mr Speaker, for the four minutes.

A lot has been said. We have heard about parallel universes; indeed, we come here from different parts of the nation to offer different views. We have heard that the Englishman's home is his castle. It is awful for people when their home is broken into; it feels desecrated and dirty. Where have the intruders been and what have they been up to? It is an awful feeling and we understand it, but when I heard some of the comments from Government Members I thought about my perspective—my universe.

When we talk about squatters, people think in terms of their own home, but that is a far cry from my experience of squatters. I am talking about people in places where there is no electricity, gas or water. There is no toilet and in some cases there is not even a roof. The properties are cold, damp, dark and very dangerous, with rats, stench and disease. They are also very violent places.

What about the squatters? We are not talking about hippy communes, with bean bags, beer and loud music, or about scroungers who ought to pull their socks up and get a job or go back home. We are talking about people without friends or families, and possibly without futures. In my experience, no one squats if an alternative is available.

That may not be the experience of other people, but it is mine. Debate on the provisions on legal aid and social welfare was shamefully evaded last night, but so many people in squats have suffered as a result of the failure of our system. In many cases, the state has put them into that position, whether the health service or the council; 78% of squatters have been turned away by their local authority. The failure may relate to employment support, or people may have just been downright unlucky.

Where on earth is the value in adding a criminal record to the problems those people face? The proposals are irresponsible. They are costly. At a time when we are being asked to do so many things that are unpleasant and unpopular, but possibly necessary for the deficit reduction plan, these proposals would simply add to the costs that we will all have to face, if not in our communities then in Armley prison. It does not make sense. The proposals do not add up.

The two universes could be brought together through amendment (a), which is a compromise that would improve the enforcement of existing legislation, with the back-up of the six-months provision. I shall support it.

Mr Blunt: It is pleasure to follow the hon. Member for Bradford East (Mr Ward), with the undoubted candour that he brought to his remarks. However, I profoundly disagree with him. It is a basic premise that if one takes someone else's home, one has stolen from them one of the most important things for any of us. I am afraid we are going to part company on that principle, and as he will have heard in my opening remarks, the issue of homelessness has to be addressed in that strategy.

I thank the official Opposition for their support, presented with his usual enthusiasm by the hon. Member for Hammersmith (Mr Slaughter). There was a moment when the charming side of the hon. Gentleman almost escaped—his rather touching revelation about his aptitude for politics when assessed by an external examiner at A-level. For that at least, I am grateful. However, to challenge us about talking business out, when he made a three-hour speech on the first group in Committee, would have come better from someone else.

The hon. Gentleman made an accusation that there was no clarity. There is absolute clarity in what we are doing. To try and escape into the issue of when a bothy is not a bothy, which will not be entirely clear to hikers, was the refuge of the desperate. When people are hiking they are clear where bothies are, and if they are not, they should not be undertaking the hike.

The hon. Gentleman asked about the benefits of the measure and the impact assessment. The impact assessment is clear. It has to identify benefits and potential risks. The benefits section of the impact assessment makes it clear that there could be significant benefits for residential property owners in the form of reduced legal costs in particular. Perhaps that puts into context the lobby by the legal profession. The impact assessment also suggests that if the offence acts as a deterrent, the instances of squatting may decrease.

I am grateful to my hon. Friend the Member for Hove (Mike Weatherley) for his excellent speech and the impressive campaign that he has waged on the issue. He made the point that we owe a duty to the homeless, a view shared by all on the Government Benches. His pertinent challenge to find any case where squatters have improved a property by virtue of their occupation was extremely telling.

In my opening remarks I tried to answer the terms of the amendment tabled by the hon. Member for Hayes and Harlington (John McDonnell), who asked us not to

[Mr Blunt]

legislate on the basis of anecdote or prejudice. I say to him and to the hon. Member for Vauxhall (Kate Hoey) that the issue is hardly a surprise. It has been around for a very long time. The Prime Minister announced the consultation back in June. We have consulted for 12 weeks, and what we have tabled is a limited proposal. Those on the Opposition Front Bench feel able to support it because it is limited to residential properties.

As I said, we will keep the other areas under review, particularly commercial property. We recognise that that will be more controversial. That is why the proposals are limited to subjects on which we believe there is widespread agreement. In the words of the hon. Member for Hammersmith, those on the Front Bench support criminalisation as it represents arrogant behaviour on the part of squatters, who think they can just take someone else's property.

The hon. Member for Hayes and Harlington said that only seven victims of squatting responded to the consultation, but a number of local authorities responded and a number of law firms responded on behalf of several of their clients who had been victims of squatting. My hon. Friend the Member for Bury North (Mr Nuttall) made the same point and I am delighted to find myself in absolute agreement with him. Four landlords associations representing a very large membership responded to the consultation and they all shared a desire to strengthen the law.

My hon. Friend the Member for Finchley and Golders Green (Mike Freer) made a powerful case. He made the basic point that what we are addressing here is something that is fundamentally wrong. It is wrong to steal someone else's home and that is what the new clause will address—

10 pm

Debate interrupted (Programme Order, 31 October).

The Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E), That the clause be read a Second time.

Question agreed to.

Clause accordingly read a Second time.

The Speaker then put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Amendment proposed to new clause 26: (a), line 7, insert—

'(2A) The offence is not committed where the building has been empty for six months or more and where there are no significant steps being taken to refurbish, let or sell the building at the time of the trespass.'.—*(John McDonnell.)*

Question put, That the amendment be made.

The House divided: Ayes 23, Noes 300.

Division No. 385] **[10 pm**

AYES

Connarty, Michael
Cruddas, Jon
Cryer, John
Davies, Geraint
Durkan, Mark
Edwards, Jonathan
George, Andrew
Hoey, Kate
Horwood, Martin
Llwyd, rh Mr Elfyn
Long, Naomi
Lucas, Caroline
McDonnell, John
McKenzie, Mr Iain
Meacher, rh Mr Michael
Ritchie, Ms Margaret
Robinson, Mr Geoffrey
Ruddock, rh Joan
Sanders, Mr Adrian
Skinner, Mr Dennis
Ward, Mr David
Williams, Hywel
Wood, Mike

Tellers for the Ayes:
Jeremy Corbyn and Kelvin Hopkins

NOES

Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, Mr Gregory
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Graham, Richard
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John

Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Robinson, Mr Geoffrey
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shannon, Jim
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, David
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Streeter, Mr Gary
Stride, Mel
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
James Duddridge and Norman Lamb

Question accordingly negatived.

Question put, That the clause be added to the Bill.

The House divided: Ayes 283, Noes 13.

Division No. 386] **[10.14 pm**

AYES

Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benn, rh Hilary
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blenkinsop, Tom
Blunt, Mr Crispin
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Bray, Angie
Brazier, Mr Julian
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, Mr Gregory
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Chapman, Mrs Jenny
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crouch, Tracey
Cunningham, Alex
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mark
Flello, Robert

Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Graham, Richard
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Huhne, rh Chris
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Graham
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Khan, rh Sadiq
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
Mensch, Louise
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Pawsey, Mark
Penrose, John
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shannon, Jim
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, David
Simpson, Mr Keith
Skidmore, Chris
Slaughter, Mr Andy
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stevenson, John
Stewart, Bob
Stewart, Iain
Stride, Mel
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Turner, Karl
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
White, Chris
Whitehead, Dr Alan
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
James Duddridge and Stephen Crabb

NOES

Durkan, Mark
Edwards, Jonathan
George, Andrew
Hoey, Kate
Horwood, Martin
Long, Naomi
Lucas, Caroline
McDonnell, John
Ritchie, Ms Margaret
Skinner, Mr Dennis
Ward, Mr David
Williams, Hywel
Wood, Mike

Tellers for the Noes:
Jeremy Corbyn and Kelvin Hopkins

Question accordingly agreed to.

New clause 26 added to the Bill.

Bill to be further considered tomorrow.

Business without Debate

SITTINGS OF THE HOUSE

Ordered,

That, on Tuesday 15 November and on Tuesday 20 December, the House shall meet at 11.30 am and references to specific times in the Standing Orders of this House shall apply on each day as if that day were a Wednesday.—*(Mr Newmark.)*

Mr Speaker: Order. Before I call the hon. Member for Bristol East (Kerry McCarthy), I appeal to Members leaving the Chamber to do so quickly and quietly, affording the same courtesy to her that they would wish to be extended to them in similar circumstances.

World Vegan Day

Motion made, and Question proposed, That this House do now adjourn.—*(Mr Newmark.)*

10.27 pm

Kerry McCarthy (Bristol East) (Lab): I start by expressing my sympathy for the Minister tonight. It can never be much fun doing the late night Adjournment debate, and I am fairly sure that this is not an issue dear to his heart.

This is the first time that world vegan day has been marked in Parliament. The chefs have also done a sterling job, with vegan dishes in the main restaurants on the parliamentary estate every day this week. Earlier today, the Vegan Society event was swamped by MPs and staff lured there by the promise of free vegan cupcakes. The cakes came courtesy of the award-winning Ms Cupcake, who has just won contracts to supply her cakes to the Olympics and Paralympics, not because her cakes are vegan but because they are delicious.

As a vegan of nearly 20 years' standing, I am very fortunate to represent a seat in Bristol, because it not only plays host to the largest vegan fayre in Europe each year but has some great restaurants and shops catering for vegans, such as Cafe Kino, Cafe Maitreya, Wild Oats, Better Foods and the Sweetmart. I am pleased to be joined tonight by my vegan comrades, my hon. Friends the Members for Derby North (Chris Williamson) and for Kilmarnock and Loudoun (Cathy Jamieson). We are apparently the largest vegan caucus in the world.

In response to a survey by the Department for Environment, Food and Rural Affairs in 2007 on public behaviour and attitudes towards the environment, about 2% of respondents said that they were vegan. The number of converts is growing. The former fast-food lover Bill Clinton has adopted a vegan diet for health reasons, saying that previously he had been playing Russian roulette with his health, and last week both Ozzy Osbourne—the man who used to bite the heads off bats—and Russell Brand announced that they had decided to become vegan after watching the film "Forks Over Knives". Other celebrity vegans include Joaquin Phoenix, Alicia Silverstone, Ellen DeGeneres, Carl Lewis, Woody Harrelson, Bryan Adams, Chrissie Hynde, Alanis Morissette, Benjamin Zephaniah and even Mike Tyson—so when people say to me, "You don't look like a vegan", I am not quite sure what they mean.

A vegan diet means not eating meat, fish, dairy, eggs or products derived from them. Ethical vegans also avoid wearing leather, wool and silk, and buying or using products that are tested on animals or contain animal products. I think that it is a personal choice how far people want to take it, and some vegans are much stricter than others, which is fine.

Among the many prejudices against vegans is the belief that they are always preaching to others and trying to convert them. I do not think that is true; we are incredibly tolerant. We are always polite when others ask, "Don't you ever get tempted by a bacon sandwich?"—as the Whip did to me only a moment ago—and we always pretend that we have never heard anyone tell the "Spock from *Star Trek* vegan/Vulcan" joke before, even though we hear it practically every day. In fact, most vegans I know are rather coy about explaining why they are vegan, mostly because the question tends to be asked when we are sitting a dinner table full of meat eaters, and it seems rather impolite to answer. However, seeing as we are not at a dinner party now, here is the ethical case, the health case and the environmental case for being vegan.

If people are vegetarians for ethical reasons—because they believe that killing and eating animals is wrong—they really ought to be vegan, too. The average human eats more than 11,000 animals in his or her lifetime, but millions of calves and chicks are also killed every year as "waste products" of milk and egg production. I confess that, for me, it took a long time for the penny to drop that cows are not constant milk-producing machines. Just like every other animal, including human females, cows produce milk only to nurse their young. The dairy industry means artificially forcing loads more milk out of cows—10 to 20 times more than they need to feed their calves, with their huge udders causing painful mastitis and lameness—and taking their calves away early, or, in the case of male dairy calves, which are useless to the dairy industry, either shooting them at birth or exporting them live to the rest of the EU for the veal trade. The average lifespan of a dairy cow is six years, compared with a natural lifespan of 20 to 25 years. Some 100,000 male calves a year are deemed a surplus by-product on Britain's dairy farms because they cannot give birth or produce milk. An undercover investigation by the Bristol-based vegetarian campaign Viva! showed a calf taken from its mother and shot in the head at Halewood Gate dairy farm near Bristol, which supplies milk for Cadbury—something that was reported in *The Sun* of all places.

Hens are forced to lay 20 times as many eggs as is natural for them. Male chicks are useless to the egg industry. Millions of day-old chicks are killed, with many thrown alive into mincers—known as "homogenisers". This also happens in free-range and organic systems, despite their claims to be cruelty-free. I have previously raised with the Minister my concern that, having made progress in areas such as banning battery cages, this country is now moving to embrace industrial-scale intensive farming, with the Nocton dairy mega-farm, housing thousands of cows in something that resembles a multi-storey car park, and the huge pig farm planned in Foston, Derbyshire, with more than 20,000 pigs and piglets. I know the Minister's views on that well, so I will touch on it only in passing.

Chris Williamson (Derby North) (Lab): Does my hon. Friend agree that the case for eating less meat or becoming vegan is reinforced by the fact that major companies are buying up vast tracts of land in developing nations to grow grain for animals, displacing subsistence farmers from their land? When 2 billion people on this planet are going hungry every night, would it not be better to use the food that we produce more efficiently by feeding it directly to human beings, rather than to animals, which is an inefficient way of using land?

Kerry McCarthy: I agree entirely with my hon. Friend, and I will come to the environmental and food security case for being vegan in a moment.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): Can the hon. Lady point to any peer-reviewed science to support her allegation about the UK livestock industry, rather than giving us the

[Simon Hart]

mantra of the animal rights or vegan movement? If she can do that, her argument might carry a bit more weight.

Kerry McCarthy: I am about to cite some scientific research on the health case, and I also have some very authoritative sources for the environmental case. The ethical case is about people's personal opinions on whether it is ethical to treat animals in such a way or to eat them. It is not science-led; it is led by people's morals.

Simon Hart: So is the hon. Lady saying that the assertions she has made about agricultural practices are a personal opinion, as opposed to there being any evidence to support them?

Kerry McCarthy: I am not quite sure which practices the hon. Gentleman is referring to. If he is talking about the average lifespan of a dairy cow, that is something that I have researched and it is in the public domain. I know that DEFRA is looking to get the average lifespan of a dairy cow up to eight years, but six years was the average cited in the research that I looked at, while the figure for cows suffering from mastitis is 33%. I could go on—although I do not have the footnotes before me—but it is all in the public domain and well researched.

It can be quite difficult to nail down the facts and figures on the health benefits of a vegan diet, particularly when organisations such as meat marketing boards and milk marketing boards spend millions on counter-promotions. As I have mentioned, the recently released film "Forks Over Knives" puts the case that switching to a wholefoods-based vegan diet can prevent and even reverse serious illnesses. The film gives an overview of the 20-year China-Cornell-Oxford project, which found that a number of diseases, including coronary disease, diabetes and cancer, can be linked to the western diet of processed and animal-based foods. It is certainly true that the traditionally very low rates of breast cancer among Japanese women are increasing as they adopt western diets with a higher consumption of animal fats. In Japan, affluent women who eat meat daily have an 8.5 times higher risk of breast cancer than poorer women who rarely or never eat meat.

Jim Shannon (Strangford) (DUP): How would the hon. Lady respond to the statement by my GP and many others that we need a balanced diet, and that a balanced diet should include meat?

Kerry McCarthy: I will come to that in a moment. The World Cancer Research Fund carried out an authoritative study which found that people should avoid processed meat altogether, and eat red meat in moderate amounts only. That is the most authoritative study that I have come across. Cancer Research UK is co-funding a massive study called EPIC—the European Prospective Investigation into Cancer and Nutrition—which has found that people who ate two daily 80-gram portions of red or processed meat increased their risk of developing bowel cancer by a third, compared with those who ate just 20 grams a day. The same study found that people eating more than 100 grams of meat a day had over three times the risk of getting stomach cancer.

As I mentioned, the World Cancer Research Fund reviewed 263 research papers and concluded in May this year that there was convincing evidence that red and processed meat increased the risk of bowel cancer. When those findings emerged, the National Beef Association and the National Sheep Association, in conjunction with the National Farmers Union, issued statements accusing the fund of misleading the public. The fund retaliated by accusing the British meat industry of potentially defamatory and deliberately misleading statements, and repeated its message that it was best to avoid processed meat and to eat red meat only in moderation. It stated:

> "The fact is that our report is the most comprehensive and authoritative review of the evidence that has ever been published and it found convincing evidence that red and processed meat both increase the risk of bowel cancer".

As I have mentioned, there has been a significant rise in the number of people who are becoming vegan—*[Interruption.]*

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): Just before my hon. Friend moves off her point about balanced diets, will she tell us—perhaps for the benefit of those on the Conservative Benches who seem to be heckling about what is or is not a case for veganism—whether she agrees that it is entirely possible to have a healthy, balanced diet without eating any animal products whatever?

Kerry McCarthy: That is true. As I said, I have been a vegan for nearly 20 years. My hon. Friend the Member for Kilmarnock and Loudoun has been one for 15 years, and my hon. Friend the Member for Derby North has been one since time immemorial—well, since the 1970s, anyway. I think that we are all testament to the fact that people can survive perfectly well on a vegan diet—*[Interruption.]* My hon. Friend the Member for Kilmarnock and Loudoun referred to the heckling. It is strange to have heckling in an Adjournment debate, and I think it is perhaps testament to the strength of our argument that people feel they have to mock what we are saying rather than joining in the debate.

I deal now with the environmental case for switching to a vegan diet. The 2006 report by the UN Food and Agriculture Organisation, "Livestock's Long Shadow", stated that the livestock industry was responsible for 18% of global greenhouse gas emissions. That is more than the transport sector, including aviation, which produces 13.5%, yet there is a huge public debate about aviation and virtually no debate about livestock. I secured a debate on this issue in Westminster Hall in 2009, and my hon. Friend the Member for Stoke-on-Trent South (Robert Flello) subsequently made a valiant attempt to put the Sustainable Livestock Bill through the House, only for it to be blocked by the Government. I hope that the Minister will have time tonight to update the House on the progress of some of the promises that he made when he responded to a speech by my hon. Friend almost a year ago today.

Meat consumption is an incredibly inefficient way to feed the planet. It takes 8 kg of grain to produce 1 kg of beef. It takes 100 times as much water to produce 1 kg of beef as it does to grow 1 kg of vegetables. It takes almost 120 calories of fossil fuel energy to produce 1 calorie of beef, compared with 2.2 calories to produce

a single calorie of plant protein. It takes almost 21 square metres of land to produce 1 kg of beef, compared with 0.3 square metres to produce 1 kg of vegetables.

We hear a lot about biofuels and deforestation, but whereas in 2009 about 100 million tonnes of crops were being diverted to create biofuels, around 760 million tonnes were being used to feed animals. As Raj Patel wrote in his excellent book "Stuffed and Starved":

> "The amount of grains fed to US livestock would be enough to feed 840 million people on a plant-based diet. The number of food-insecure people in the world in 2006 was, incidentally, 854 million".

I am conscious that I have not mentioned fish at all during this debate. I would refer the House to the extremely powerful documentary "The End of the Line", and also to the series "Fish Fight" by Hugh Fearnley-Whittingstall, which highlights some of the issues to do with the sustainability of our fish stocks and the impact of over-fishing on our marine environment.

I conclude with some questions for the Minister. It was disappointing that at the climate change talks in Copenhagen, the environmental impact of the livestock sector was given little prominence. What steps are the Government taking to ensure that this issue has a higher priority on the agenda at Rio next year? Will it also be on the agenda at the climate change talks in Durban next month?

What discussions has the Minister had, or will he commit to having, on these issues with our EU counterparts, particularly in the context of reform of the common agricultural policy? According to Compassion in World Farming, at least 80% of the EU's animals are factory farmed. What vision does the Minister have for the future of farming across the EU in terms of animal welfare standards, environmental impact and sustainability?

In respect of development policy and global food security, what consideration has been given to the health and environmental factors I have mentioned in terms of feeding the world's growing population? Is this something that is ever discussed between DEFRA and the Department for International Development? What assessment have the Government made of the health benefits of a diet low in meat and dairy consumption? What guidance is given in the public sector—in schools, hospitals and prisons, for example—on the availability of vegan food with a view to meeting the needs of those who have chosen a vegan diet, and with a view to the health benefits?

What further progress can be made on food labelling so that vegans know whether the products they purchase are ethical or not? Can the Minister also confirm that when the EU directive on animal experimentation is transposed into UK law, it will not mean a lowering of standards? And finally, there is concern that the proposed network of marine protected areas to be established under the Marine and Coastal Access Act 2009 next year will not adequately protect wildlife and that some of our most important marine wildlife sites could even be missed off altogether. Can the Minister provide reassurance on this point and perhaps tell us more about what he or his Department is doing to tackle over-fishing?

I appreciate that I have at times strayed somewhat outside the Minister's brief, but I hope he can give clarity on at least some of the issues I have raised. I thank him for his patience in listening to me.

10.42 pm

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): May I genuinely congratulate the hon. Member for Bristol East (Kerry McCarthy) on taking the opportunity to raise the issue of vegans on world vegan day and to elaborate on her thoughts and the views that she and her colleagues hold? She rightly identified at the outset that she and I will not agree on some of these issues, but I respect the intensity of her views, which she and I have exchanged several times over the Dispatch Box.

May I say, however, that I do not think hon. Lady helps her cause by some of the quite wide exaggerations she made in her speech? To talk about an intensive dairy farmer as being akin to a multi-storey car park is, frankly, ludicrous. There is no suggestion—

Kerry McCarthy: They are piled on top of one another.

Mr Paice: The hon. Lady is saying something from a sedentary position—I will need to get this on the record, Mr Speaker—about cows on top of each other. There is no such question. The proposal at Nocton, which is now dead as a proposal anyway, did not involve a multi-storey facility. It does not do the cause any good to exaggerate like that.

I hope I can answer some of her questions. As she said, some of them have strayed a little from my brief. I think many of the answers are in the Foresight report, which was the Government's chief scientific adviser published in January this year. That is all about the future of food and farming. It looks not just at the UK, but at the global demand and supply for food over the next 30 or 40 years up to 2050. We are having this debate on the day after the 7 billionth person was born on this planet; it is quite right to think about the security of our food supply across the globe.

There is no doubt that, as the Foresight report made clear, the current food system is consuming the world's natural resources at an unsustainable rate. I agree with the hon. Lady about that. At this rate we will continue to degrade our environment, compromise the world's capacity to produce food in the future, and contribute to climate change and further destruction of our biodiversity.

The status quo is not an option, which is why we in DEFRA have put the importance of sustainable food and farming at the forefront of what we are doing. It is the first priority of our business plan. It underpins everything. We are looking at the food chain in its entirety, with the aim of helping to secure an environmentally sustainable and healthy supply of food and creating the conditions for the agri-food sector to succeed. The Foresight report—this is relevant to one of the hon. Lady's questions—highlighted the significance of dietary changes to the sustainability of our food supply, given that, as the hon. Lady rightly said, some foods require more resources for their production than others. We all need to play our part.

The most important people in all this are consumers. As the hon. Lady suggested, they can best be helped to make the choices that they want to make when they are receiving consistent messages about what constitutes a sustainable balanced diet, and, indeed, what the products that they are purchasing contain. By providing a robust evidence base, we can work closely with a wide range of partners to try to ensure that they are given that information.

[Mr Paice]

The issue of diet is complex. Across the world, cultural, social and religious factors influence the make-up of what we eat. The Government do not believe that we should undermine those influences. We see value in encouraging people to think carefully about the environmental impact of the food they eat. Groups such as the Vegan Society provide information for consumers and help to increase their knowledge. However, we also need to recognise that a vegan diet is not for everyone.

I must tell the hon. Lady that I was a bit confused about whether she was advocating veganism, was concerned about animal welfare, or was simply recommending a balanced diet involving a lower proportion of processed meat—with which recommendation, incidentally, I would entirely agree. We know that there are recommendations suggesting that people should not eat too much processed meat. However, that is a long stretch from the more extreme position of a vegan, which, as the hon. Lady said, means eating absolutely no products of animal origin. There is a great difference between the two positions. The Government recommend a balanced diet. We are not going to tell people what or what not to eat; we want people to be given information that will enable them to make informed choices.

The hon. Lady raised the issue of food labelling. As she knows, we are committed to improving it: that has been one of our prominent policies both in opposition and in government. As she also knows, there is currently no definition in law of the term "vegan", and labelling products as vegan is entirely voluntary. However, if such labelling is used, consumers are protected by the law, because it is illegal to mislead them through false or misleading labelling. A new European Union regulation on the provision of food information to consumers will be published in the next few months, and will then enter into force in all member states. It covers the rules for general food and nutrition labelling, and requires the European Commission to draft a set of measures governing use of the terms "vegetarian" and "vegan". I hope that that reassures that the hon. Lady that the issue is being, and will continue to be, addressed.

The Government's promotion of advice on a balanced diet applies to vegetarians and vegans as well as to those who eat much more livestock products. A well-planned diet based on anything can be healthy as long as it contains the right balance of foods. The main issue that we face is, of course, obesity, which is a leading cause of serious diseases such as type 2 diabetes, heart disease and cancer. It also costs the national health service £5 billion a year. The Government's recently published document "Healthy lives, healthy people: a call to action on obesity in England" sets out how obesity will be tackled in the new public health and NHS systems, and the role that partners can play. Obesity is a serious problem, and it is the responsibility of individuals to change their behaviour to benefit their health. Most of us are eating or drinking more than we need to, and we are not active enough. Being overweight or obese is a consequence of eating more calories than we need.

Chris Williamson: The Minister says that diet and avoiding obesity are the responsibility of individuals. Does he not accept that companies such as McDonald's ruthlessly and specifically target young children in order to force on them a diet that is wholly unhealthy and contributes considerably to the obesity crisis that the nation is currently experiencing?

Mr Paice: No, I do not accept that. The hon. Member for Bristol East reeled off a list of vegan organisations, businesses and retailers in Bristol. They all have a right to advertise their wares as long as they are selling something that is lawful. I do not believe that it is for Government to tell them they should not do so.

What matters is that we encourage people to reduce the amount of calories they consume, in whatever form. As part of the Government's ongoing Change4Life campaign, we are encouraging people to make the key simple changes: eat more fruit and vegetables; cut down on fatty foods, particularly unsaturated fats; reduce calorie consumption; and, of course, be more active.

Kerry McCarthy: This section of the Minister's speech sounds like filler to avoid talking about the issues I have raised. He said that it is important that people get the right balance in their diet. What do the Government regard as the right balance for eating red meat and processed meats in a diet?

Mr Paice: I cannot tell the hon. Lady that precisely. Such matters are the responsibilities of the Health Education Authority and the Department of Health. As she rightly said in her earlier comments, they are not part of my remit. There is a wealth of information, however, about balanced diets and recommended proportions and amounts, and 70 grams a day of meat is established as being a good figure.

The hon. Lady does me a disservice by suggesting I was not going to answer her questions, as I will do so. However, the points I am making now are important, and they are relevant to the question of balanced diets.

Returning to the Foresight report, which I mentioned earlier, it is clear that we need to achieve a sustainable food supply and to use the whole range of measures available to us. The hon. Lady made a point about the consumption of grain to produce meat. I have to say to her that two thirds of the world's farming area is grass, and the only way to turn grass into food is to feed it through livestock. If we were to remove all that livestock from the system, the world would be a lot shorter of food. That is a simple fact, so what else is the hon. Lady going to do? She looks askance, but she should understand that large parts of the world will not grow grain as the terrain or climate is wrong, or the soil is too thin. Therefore, grass is the only option if that land is to produce food.

The hon. Lady also referred to the figure of 8 kg to produce 1 kg of beef. On the face of it, that is correct, but only if all the cattle are fed is grain. However, as I have just implied, a large proportion of the beef—and the sheepmeat—in this world is produced from grass. Many of the livestock never see a grain of cereal in their diet. That is the reality. Yes, there are beef feedlots in America where the cattle are fed only on grain, and in that context the figures the hon. Lady cites are right. However, to use them as if they apply to the whole industry across the world is entirely misleading. In fact,

the bigger consumers of grain are pigs and poultry because they eat nothing else. They can be fed only on grain and soya bean.

On the subject of soya, the hon. Lady talked about the increasing desecration of the rain forest to produce arable crops, but the main such crop is soya bean, which is what most people who do not eat meat eat. How can one have a haggis made of soya? *[Interruption.]* As my right hon. Friend the Member for Orkney and Shetland (Mr Carmichael) points out, it is possible to find vegetarian haggis. However, the point is that soya is the staple diet of people who do not eat meat.

Several hon. Members *rose—*

Mr Paice: No, I am not going to give way, as I do not have much time left.

I go back to my starting point of the Foresight report. The Department for Environment, Food and Rural Affairs has signed up to a five-point action plan to take it forward, and that is very important. I shall now deal with the hon. Lady's questions, and she will appreciate that I have had them for only a few minutes, although we did speak briefly before the debate. She asked about the climate change talks in Copenhagen and, to the best of my knowledge, the issue she mentioned is not on the agenda at the moment. She asked about our European counterparts and the common agricultural policy, and the answer is that we have not discussed veganism. I am not sure precisely what she wants us to talk to them about, but it is very early days in the reform of the CAP. At the moment, there is no unanimity on the Commission's proposals for CAP reform.

The hon. Lady alleges that 80% of the European Union's animals are factory farmed. I suppose that that depends on the definition of "factory farming", but I find it difficult to believe. I have spoken about development policy and global food security; that is all covered in the Foresight report. She asked about the assessment we have made of the health benefits of a diet low in meat and dairy consumption, and, again, I have addressed the point. It is a matter of balance. It is not a question of doing without those things; it is question of keeping the intake to a sensible level. The figures are available from the various Government bodies. I have addressed the issue of food labelling; it is going to be resolved.

As for the hon. Lady's question about the EU directive on animal experimentation, I am afraid that I do not know the answer. It is a matter for the Home Office and I cannot answer that. On the establishment of the proposed network of marine protected areas, the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Newbury (Richard Benyon), is working very hard on this, along with Natural England. To the best of my knowledge, they will be making sure that wildlife is protected. But that is a long way from the implication that we should not be eating fish, which I thought was her approach.

I hope that I have answered the hon. Lady's main principles. As I said at the outset, we are not going to agree entirely on this issue, but she has raised it and the House has heard what she has to say.

Question put and agreed to.

10.56 pm

House adjourned.

House of Commons

Wednesday 2 November 2011

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

LONDON LOCAL AUTHORITIES BILL [*LORDS*]
(BY ORDER)

Consideration of Bill, as amended, opposed and deferred until Tuesday 8 November (Standing Order No. 20).

Oral Answers to Questions

CABINET OFFICE

The Minister for the Cabinet Office was asked—

Community Projects

1. **Stephen Metcalfe** (South Basildon and East Thurrock) (Con): What steps he is taking to encourage individuals and organisations to engage in projects that benefit their local community. [77750]

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): Encouraging more social action is a key strand of the big society vision, so we are looking at ways to cut some of the red tape that gets in the way and are busy delivering programmes such as Community Organisers, Community First, the national citizen service and the social action fund.

Stephen Metcalfe: I thank my hon. Friend for his answer. Will he expand on how these initiatives will impact on the residents of South Basildon and East Thurrock and on what they could hope to see from such great ideas in the future?

Mr Hurd: I thank my hon. Friend for his positive reaction. I am aware that at least three wards, I think, in his constituency are eligible for the Community First grant programme. This is a fund designed to put money into the hands of neighbourhood groups to help them implement their own plans. It is focused on wards that blend high levels of deprivation with low levels of social capital, and I very much hope that he will engage personally in supporting constituents in those wards to maximise those particular opportunities.

Mrs Madeleine Moon (Bridgend) (Lab): I declare an interest as a trustee of Community Service Volunteers, which had its Make a Difference day on Saturday last week, encouraging people to volunteer and make a difference in their community. What steps will the Government take to ensure that organisations such as Community Service Volunteers can reach out and encourage volunteers like Abbie, who is unemployed, to make a difference by working in her local Marie Curie shop?

Mr Hurd: Community Service Volunteers is a great organisation and it had a spectacularly successful day. The answer lies in trying to reduce some of the barriers, such as the red tape that I mentioned, that stop people getting involved. It is also important to try to inspire people to step up and get more involved. That is why we believe that programmes such as Community Organisers and Community First, which are about bringing communities together to identify what they want to change and inspiring them to work together to make that change happen, can be a very powerful intervention.

Mr Mark Williams (Ceredigion) (LD): The Minister will be aware that this is national trustees week. Will he address two particular concerns of that campaign? The first is that the number of young people being attracted to become trustees is very small indeed, and the other is the fact that more than half of charities have at least one vacancy on their board of trustees.

Mr Hurd: The hon. Gentleman raises an extremely important point. We all know the value and importance of the work of trustees and the ability of a really good set of trustees to transform the capability of a charity or voluntary organisation. It is important that the Government will announce some steps to promote wider awareness of the opportunity to take part in being a trustee.

Voluntary Sector

2. **Tony Lloyd** (Manchester Central) (Lab): What recent steps he has taken to support the voluntary sector. [77751]

3. **Mr Russell Brown** (Dumfries and Galloway) (Lab): What steps he plans to take to support the voluntary sector. [77752]

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): I refer the hon. Members for Manchester Central (Tony Lloyd) and for Dumfries and Galloway (Mr Brown) to the open letter to the voluntary sector, which was sent to all MPs and published on the Cabinet Office website; it sets out our strategy for encouraging more social action and supporting civil society.

Tony Lloyd: The Greater Manchester centre for voluntary organisation estimates that a quarter of those employed by voluntary organisations are losing their jobs in this two-year period. Can the Minister honestly tell the voluntary sector through the House that with that level of cutbacks there really is a role for that sector? Volunteers need a structure in which to work.

Mr Hurd: I understand the hon. Gentleman's point. We all have to recognise that there is less money around so some difficult choices have to be made. I simply refer him to the statement made by his own leader to the BBC on Valentine's day this year to the effect that he could not have protected the voluntary sector from local authority cuts. There is awareness of the challenge that we all face. I know that the sector in Manchester has benefited from the transition fund and that a bid has been put in to the infrastructure fund from the organisations that support front-line organisations. Eighteen wards in the city of Manchester and 69 in Greater Manchester are eligible for the Community First grant programme.

Mr Brown: People in my constituency who are living with cancer and other long-term conditions desperately need benefits advice. It is currently provided by Macmillan Cancer Support, Citizens Advice, Welfare Rights and the Princess Royal Trust for Carers. I attended a meeting with these groups on Monday morning. Let me tell the Minister that they are under real pressure to find the financial wherewithal to go forward. Surely now is the time to make sure that these organisations have the financial support that is required to provide quality benefits advice.

Mr Hurd: I could not agree more. When I visited my local advice centre on Friday, I had a real sense of the strain and stress that its staff were experiencing. We have set aside a further £20 million of special funding for advice centres. There is also to be a short review to investigate what the Government can do to manage levels of demand on those working in that vital sector, and how we can make life easier for them.

Mrs Eleanor Laing (Epping Forest) (Con): Does the Minister agree that voluntary groups set up by people who do what they do because they want to, and because they have a lifetime of experience in the field—one example is Home-Start in my constituency—often fulfil their roles not only in a more cost-effective way, but better than others?

Mr Hurd: Absolutely. Value is reflected in two ways, in terms of cost and in terms of the effectiveness of the support that is given. In my experience, volunteer-led organisations enjoy a different level of trust among the people whom they are trying to help.

Mr Peter Bone (Wellingborough) (Con): Would the Minister welcome increased Government spending to enable the voluntary sector to deal with human trafficking? If the money went through the Salvation Army, the big society could help all charities to look after victims.

Mr Hurd: My hon. Friend makes a good point, with which I have a great deal of sympathy.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): The latest survey of charity leaders by the National Council for Voluntary Organisations shows that 30% of them expect to cut jobs in the next three months, and that some 60% expect the economic situation, as it affects such organisations, to deteriorate over the next 12 months. Given that voluntary sector capacity is being reduced, is not the truth about the big society that, on the Minister's watch, it is about to get smaller?

Mr Hurd: I dispute that. I remind the hon. Gentleman that the leader of his party told the BBC in February that he would not make councils protect cash for voluntary groups. There is a hard economic reality here: a sector that receives £13 billion of taxpayers' money cannot be immune to the requirement to contribute to a reduction in Government borrowing. The challenge now is for us to find a way of working together to mitigate the damage done to the voluntary sector in the short term, while preparing it for the real opportunities down the track to deliver more public services.

Open Government Partnership

4. **Mr James Clappison** (Hertsmere) (Con): What assessment he has made of the potential role of the open government partnership in promoting openness and transparency. [77753]

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): Transparency is an idea whose time has come. It makes choice possible, it encourages accountability, and it can change lives. The United Kingdom Government are already the world leader in transparency, and the open government partnership will enable those huge benefits to be promoted to many other countries around the world.

Mr Clappison: The open government partnership is an interesting and exciting concept. Can my right hon. Friend tell me the key UK transparency commitments within it?

Mr Maude: All the principles underlying the partnership reflect things that we have already introduced: openness about Government spending, openness about salaries, openness about the internal workings of government, and an increase in the publication of outcome data about the way in which public services operate. We have said that commitment to and implementation of the principles of the open government partnership will increasingly be a material factor in decisions by the Department for International Development about where to place direct budget support for developing country Governments.

Mr Denis MacShane (Rotherham) (Lab): In the interests of open government, will the Minister agree to publish all the credit card expenses of Ministers and officials under the sum of £500 in all Departments, starting with the Housing Minister?

Mr Maude: It is good to hear the right hon. Gentleman being so enthusiastic about transparency. We have already published Government payment card data covering transactions between April and August this year, and we will continue to do so. We will publish the data for 2010 and 2011, and Departments will also have the option of publishing data for the previous year, when the last Government were in office. I look forward to enthusiastic support from the Labour party when the transactions made when it was in office are made public.

Charlie Elphicke (Dover) (Con): I thank the Minister for that response, and in particular for what he said about the last Government. I believe that the limit should be zero rather than £500, because we would not have known about the expenditure of the NHS on finger puppets if a higher limit had applied.

Mr Maude: My hon. Friend makes the purist case for the disclosure of absolutely everything, but we have gone infinitely further than any Government have ever gone before in exposing the spending of Departments. Of course we will keep that under review, but the first thing we need to do is complete the publication of the data on transactions below £500, including some that took place under the last Government.

Jon Trickett (Hemsworth) (Lab): Given the pride the Minister obviously takes in transparency, is it not slightly odd that his Department, which leads on these matters for the whole Government, has the worst record in responding to freedom of information requests? Indeed, some people might think that is almost fishy. Since coming into office, the number of FOI requests answered on time by his Department has nosedived from 90% in March 2010 to only 42% in March this year. What do they have to hide? Will the Minister now tell us when he intends to get his house in order on FOI?

Mr Maude: First, I welcome the hon. Gentleman to his post and congratulate him on his elevation to the shadow Cabinet.

The Cabinet Office deals with FOI requests in respect of Cabinet papers under the last Government, and that takes some time to deal with because we need to consult former Ministers in that Government. Any FOI requests relating to the royal family also need to be dealt with sensitively, with a lot of consultation. I notice that the hon. Gentleman does not raise the issue of Government procurement cards, and does not echo the response of his colleague, the hon. Member for Barnsley East (Michael Dugher), who said, when we published these data, that we had gone on a spending spree, when, in fact, we had cut spending under Government procurement cards by 10% compared with the record of his party.

Trade Union Facility Time

5. **Karl McCartney** (Lincoln) (Con): What the cost to the public purse was of the provision of trade union facility time by Government Departments in the last year for which figures are available. [77754]

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): Total spend on trade union facility time across the civil service is estimated to be around £30 million a year, while in the public sector as a whole the estimate is £225 million. ACAS guidance suggests this system should be regularly reviewed. Strangely, we have not been able to find any evidence that it was reviewed under the last Government.

Karl McCartney: I thank my right hon. Friend for that very revealing answer. He will be aware of the current scandal of public sector employees spending 100% of their time on union activities while still drawing their publicly funded salary. My constituents in Lincoln expect their thousands of pounds in taxes to be used to pay for public services, not union activities. This situation clearly does not—

Mr Speaker: Order. What I want is a question—in one sentence, very briefly, now.

Karl McCartney: Will my right hon. Friend assure me that as part of any consultation or meeting, such as the one he had today, he will fully examine this scandal?

Mr Maude: As I have said, we are going to consult on this. We will want to look very carefully at the phenomenon whereby large numbers of civil servants and other public servants are engaged full time as union officials at the taxpayers' expense. There may be a case for some of this continuing, but certainly not on the scale we inherited from the Labour party.

Mr Gerry Sutcliffe (Bradford South) (Lab): But is there not also a point to be made about how much money is saved to the public purse by having good industrial relations? Instead of going backwards, should not the Minister be going forward and talking about how he could improve industrial relations?

Mr Maude: If the hon. Gentleman wishes to make the case for why more and more taxpayers' money should be spent on subsidising union officials, let him do so, and let him explain to his constituents why that is good value when what they want is taxpayers' money to be spent on front-line public services, on which the most vulnerable people in our society depend.

Third Sector Contracts

6. **Jonathan Ashworth** (Leicester South) (Lab): What recent progress he has made in increasing the number of central Government contracts secured by the third sector. [77756]

The Minister of State, Cabinet Office (Mr Oliver Letwin): Since May 2010 there have been 702 purchase orders for third sector services by the Department of Health alone. There have also been 94 contracts with third sector organisations from five different Departments: four from the Department for Culture, Media and Sport, 21 from the Ministry of Justice, 15 from the Department for Environment, Food and Rural Affairs, 47 from the Department for Work and Pensions and seven from the Department for Transport. Those contracts have a total value of more than £488 million. Unfortunately, I cannot say how that compares with the previous Government's record as records were not kept at that time.

Jonathan Ashworth: I am grateful to the Minister for that answer. In the last week, I met a voluntary third sector organisation in my constituency called Tolsam, which does a lot of valuable work with the young unemployed and those not in education, employment or training. Given the scale of the youth unemployment problem our country now faces, will Ministers consider introducing a requirement that third sector organisations that work with NEETs and the young employed are favoured when awarding contracts?

Mr Letwin: The hon. Gentleman, who I have discovered has a very honourable record of visiting social enterprises in his constituency, makes a good point. We do believe that there is great merit in including in public sector contracting provisions that reflect social value and social outcomes. We are working on that and we intend to proceed with it.

Mr James Gray (North Wiltshire) (Con): The Government have launched the Contracts Finder website, which enables third sector companies to find Government contracts. How does the Minister intend to assess how successful that has been and will he publish figures to demonstrate whether or not it has worked?

Mr Letwin: My hon. Friend makes a good point. We have indeed launched the Contracts Finder website, and I did a bit of mystery shopping to check whether it was possible to use it. I am glad to be able to tell the House that it is a very useful thing. We have already received some feedback from businesses and third sector organisations that have been on the website, and where we have had that feedback we have responded to it. We will be looking at the overall effectiveness of the website in due course and reporting back to the House.

Social Enterprise

7. **Julie Elliott** (Sunderland Central) (Lab): What steps he is taking to promote social enterprises. [77757]

The Minister of State, Cabinet Office (Mr Oliver Letwin): First, we now have Big Society Capital established—the initial investment was made in the summer. Secondly, we are moving ahead with the establishment of mutuals, with a new mutuals support programme; 45,000 staff are already in social enterprises in health care alone. Thirdly, we have promoted social enterprise in the Work programme, with two social enterprises as prime providers and about 500 more voluntary sector organisations as subcontractors.

Julie Elliott: I thank the Minister for that answer. Does he believe that the Government and local authorities should be developing strategies to promote social enterprises? If so, why has he axed the clauses that would have made Departments do that from the private Member's Bill of the hon. Member for Warwick and Leamington (Chris White)?

Mr Letwin: We do not feel that it is necessary to legislate for strategies at a national and local level. The previous Government specialised in having lots of strategies and fulfilling none of them. By contrast, we are in favour of taking action, which is why we are working with my hon. Friend the Member for Warwick and Leamington (Chris White) to ensure, as I mentioned in answer to the previous question, that there is provision for social outcomes and social value to be measured in contracts. That is, of course, part of his Bill. *[Interruption.]*

Mr Speaker: Order. I am sure that when the Minister was conducting his philosophy seminars he had a rather more respectful and attentive audience, and that is what we should grant him.

Dr Julian Huppert (Cambridge) (LD): Allia and Future Business are promoting social bonds to support social enterprises, such as the future business centre in my constituency. There has been a very good uptake by individuals and companies, but not by the banks. Will the Minister have discussions with the banks to encourage them to invest in these bonds, which provide a secure social investment asset?

Mr Letwin: We believe that social impact bonds have an enormous role to play. The Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Ruislip, Northwood and Pinner (Mr Hurd), who has responsibility for the civil society, and I recently had a round table meeting with a group of social entrepreneurs and investors who are interested in investing in social enterprise. We are encouraging that and we are taking further steps through Big Society Capital to promote the use of social impact bonds. Of course our payment-by-results systems also make use of social impact bonds.

Head of the Civil Service

8. **Mr Bernard Jenkin** (Harwich and North Essex) (Con): What plans he has for the future of the role of the head of the civil service. [77759]

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): The roles of Cabinet Secretary and head of the civil service are very different and were indeed separate roles until 1981. Following the announcement of the retirement of Sir Gus O'Donnell, the role of head of the civil service will, once again, be separated from the Cabinet Secretary role. The two individual roles will be more focused, and people can be appointed to each on the basis of the skills match to each role. An internal competition is under way to recruit the post holder from among existing permanent secretaries.

Mr Speaker: We need to leave time for the question.

Mr Jenkin: Change is the watchword of the Prime Minister and change in government is a vital ingredient of the Government's reform programme. How will the head of the civil service be able to lead and implement change if he does not have equal authority and equal access to the centre of government as he does now?

Mr Maude: He or she will have equal access and will exercise a decisive role in leading the reform of the civil service so that we can create a genuinely modern, progressive civil service that a modern Britain requires.

Mark Durkan (Foyle) (SDLP): Is the Minister satisfied that with the split of the new roles, the various questions of probity, propriety and procedure that were aired in the O'Donnell report on the Werritty affair will be clearly brought to a known figure in the future, or will there be confusion?

Mr Maude: We will make sure that those issues are properly scrutinised, as they were on that occasion, and that there are proper arrangements to ensure that that is the case.

Topical Questions

T1. [77765] **Katy Clark** (North Ayrshire and Arran) (Lab): If he will make a statement on his departmental responsibilities.

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): My responsibilities as Minister for the Cabinet Office are for the public sector efficiency and reform group, civil service issues, industrial relations strategy in the public sector, Government transparency, civil contingencies, civil society and cyber-security.

Katy Clark: The average pension for a woman retiring from the NHS is £3,000 and the average local government pension is £4,000. Does the Minister accept that if we

increase the contributions for a worse pension, more people will simply opt out and we will end up paying more through the state benefits system?

Mr Maude: It is in no one's interest that public sector workers should opt out of pension schemes. The numbers to which the hon. Lady refers do not in any way reflect the pension that people retire on after a full career. That is the average, including many people who serve relatively short times in the public service. At the end of these reforms public sector pensions will still be among the very best available, much better than those available to most people in the private sector, who have no chance of enjoying such pensions. *[Interruption.]*

Mr Speaker: Order. There are far too many noisy private conversations taking place. The House will want to hear Stephen Mosley.

T3. [77769] **Stephen Mosley** (City of Chester) (Con): Thank you, Mr Speaker. Can the Minister update the House on the progress of negotiations with the trade unions on public sector pension reform?

Mr Maude: We have made progress and my right hon. Friend the Chief Secretary and I met the TUC again this morning. My right hon. Friend will make a statement to the House later. As I said, our intention is that public sector pensions will continue to be among the very best available, but fair both to public sector staff and to the general taxpayer, who has had to bear an increasing burden of the cost of paying for these pensions in recent years.

Michael Dugher (Barnsley East) (Lab): During last week's debate on the Public Bodies Bill, the Government voted to scrap the role of the chief coroner, despite opposition from Opposition Members and from Back-Bench Conservative Members as well. Responding, the Royal British Legion said that it was

"saddened that this opportunity to do the right thing by bereaved Service families was not taken"

by the Government. As we approach Remembrance Sunday, is it not time that the Government did the right thing and listened to the Royal British Legion?

Mr Maude: The hon. Gentleman will have heard Ministers in the Ministry of Justice talking about this when we debated the matter last week, and I think they made a very good case for what the Government intend to do.

T4. [77770] **Henry Smith** (Crawley) (Con): Can my right hon. Friend say how the British Government compare with the French Government when it comes to the number of contracts they procure with domestic suppliers?

Mr Maude: The procurement practice that we inherited from the previous Government militates heavily against the interests of UK suppliers and UK jobs, especially when it comes to very large contracts. Both France and Germany, which do not operate protectionist regimes and which obey the rules, give away fewer jobs to other countries. We are looking at this to see how we can support UK suppliers in a way that the previous Government signally failed to do.

T2. [77766] **Bill Esterson** (Sefton Central) (Lab): Speaking of fewer jobs, the Public Bodies Bill scrapped regional development agencies. My constituent Mark Davenport invested £6,000 setting up a business installing solar panels. At six weeks' notice, the investment made by thousands of businesses was wiped out by a dramatic cut in the feed-in tariff scheme. Can the Minister explain to Mr Davenport how the abolition of the RDAs and now the cut in feed-in tariffs is helping jobs and growth?

The Minister of State, Cabinet Office (Mr Oliver Letwin): What the hon. Gentleman needs to deal with is the fact that the regional development agencies in their time never managed to achieve what they set out to achieve and acquired vast liabilities—an astonishing achievement for development agencies. The solar tariffs had to be reduced because they were a disgrace and would have cast ill-repute on the whole of the very important programme that we have for supporting renewables and feed-in tariffs in this country.

T5. [77771] **Jake Berry** (Rossendale and Darwen) (Con): People in Edgworth in my constituency found out that their bus service is being scrapped for want of £10,000, although the local authority can still find almost £100,000 to support trade union activity. What action will the Government take to end taxpayer-funded activity within the public sector?

Mr Maude: I have already said what we are planning to do in relation to the civil service. Obviously, local authorities must answer for their own affairs, but the guidance is that those arrangements should be reviewed regularly. I urge my hon. Friend to put pressure on his local authority to explain how it justifies spending money that should be spent on front-line public services supporting vulnerable people on subsidising trade union activity instead.

Stephen Timms (East Ham) (Lab): What discussions has the Minister had with colleagues who are responsible for the Work programme about openness and transparency? They are yet to publish any performance data on the programme. Moreover, they have banned Work programme providers from publishing their own performance data, as many of them would like to do.

Mr Maude: All the indications are that the Work programme is a successful move, and I will make those representations to my right hon. Friend the Secretary of State for Work and Pensions. We are generally the most open Government ever. We lead the world in transparency and have gone much further than the Government of whom the right hon. Gentleman was a distinguished member ever dreamt of going.

T6. [77773] **Jason McCartney** (Colne Valley) (Con): Having heard the excellent news this week on the increase in apprenticeship places, which are up 50% to 442,000, does my hon. Friend agree that the national citizen service can also play a key role in helping our young people into work?

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): Yes, because it helps them to develop the skills that employers need.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [77735] **Mr Marcus Jones** (Nuneaton) (Con): If he will list his official engagements for Wednesday 2 November.

The Prime Minister (Mr David Cameron): This morning I had meetings with ministerial colleagues and others and, in addition to my duties in this House, I shall have further such meetings later today.

Mr Jones: With the average 60-year-old living 10 years longer than in the 1970s, public sector pension reform is essential. Will the Prime Minister ensure that reform is fair for my constituents, both in terms of taxpayers and public sector workers?

The Prime Minister: My hon. Friend makes an important point, and the Chief Secretary to the Treasury will be making a full statement to the House. It seems to me to be absolutely vital that we do something that is fair to both taxpayers and public sector workers. The cost of our public sector pensions system is up by a third in the last decade. It is not fair to go on as we are, but the new arrangements must be fair to people who work hard in the public sector and on whom we all rely. I can tell the House that low and middle-income earners will actually get more from their public sector pensions, everyone will keep what they have built up so far, anyone within 10 years of retirement will see no change to their pension arrangements and, at the end of all this, people in the public sector will still get far better pensions than people in the private sector. I really think it is time that the Labour party was clear that it does not support strikes later this month.

Edward Miliband (Doncaster North) (Lab): Does the Prime Minister believe that growth of 0.5% over the last year and unemployment at a 17-year high point to the success or failure of his economic plan?

The Prime Minister: Obviously, everybody wants the British economy to grow faster—that is what everybody wants. Yesterday's figure of 0.5% was better than many people expected and is it not noticeable that the right hon. Gentleman cannot even bring himself to welcome news like that? The key issue we all have to address is this: there is a global storm in the world economy today and it is in our interests to help others to confront that global storm, but we must also keep the British economy safe. We will not keep it safe if we add to our deficit, add to our debt and put interest rates at risk.

Edward Miliband: First the right hon. Gentleman blamed the Labour Government, then he blamed Europe, and yesterday he apparently blamed his Cabinet colleagues for the lack of growth in our economy. The truth about this Prime Minister is that when things go wrong it is never anything to do with him.

Let me ask about another of his flagship policies, the business growth fund, which was launched nine months ago with the banks. Can he tell us the number of businesses the fund has invested in?

The Prime Minister: First, the problem with pre-scripted questions is that the right hon. Gentleman does not listen to the first answer. I did not actually in my first answer blame the last Labour Government, but if he would like me to do so I can start right now, because it was the last Labour Government who left us the record debts and the record deficit, and it is this Government who are having to deal with that.

The right hon. Gentleman asks about the business growth fund. This is one of the schemes to ensure that banks are lending, alongside the Merlin scheme, which is actually seeing an increase in lending to small businesses. That is the record we can be proud of—and something he did not achieve.

Edward Miliband: We all know by now with this Prime Minister that when he blusters like that at the Dispatch Box he is either too embarrassed to answer or he does not know the answer, so let me help him. The business growth fund was announced nine months ago, it has five offices and 50 staff. How many investments? A grand total of two. It is becoming a pattern with this Prime Minister: fanfare announcement then radio silence. He said in March:

> "I'm going to watch those banks like a hawk and make sure they deliver".

So what is he going to do to get the business growth fund moving?

The Prime Minister: These are the banks the right hon. Gentleman completely failed to regulate year after year—*[Interruption.]* Yes, yes, and these—*[Interruption.]*

Mr Speaker: Order. The House is getting—*[Interruption.]* Order. Mr Ronnie Campbell, calm yourself. The House is getting far too excited. It is only six minutes past—*[Interruption.]* Order. Let me say it at the outset: both the Prime Minister and the Leader of the Opposition must be heard. It is called democracy and free expression.

The Prime Minister: Let me just give the right hon. Gentleman the figures for what has happened under the bank lending schemes of this Government. We have £190 billion of new credit this year, up from £179 billion last year. That is a huge increase. There is £76 billion for small and medium-sized enterprises, up 15% on last year. We are seeing more bank lending under this Government, but we are seeing also the bank levy, so people in the banks are helping to pay to deal with the deficit that his Government created.

Edward Miliband: A totally hopeless answer. One of his own schemes, the business growth fund—they trumpeted the announcements, and they have not got a clue what is happening to their own scheme.

Businesses are struggling, but one group in our economy is doing very well, indeed. Over the past year, when many people have seen their wages frozen, directors' pay has risen by 49%. The Prime Minister expressed concern about that last Friday, but the public want to know: what is he going to do about it?

The Prime Minister: Let me tell you exactly what we are doing about it, and will do about it. It is this Government who introduced the bank levy—more raised in one year than the bonus tax that the previous Government created; it is this Government who have increased the fees that non-doms have to pay; it is this

Government who have had an agreement with Switzerland and Liechtenstein to get hold of people who put money overseas; and it is this Government who have actually seen lower bank bonuses. But, where I agree with the right hon. Gentleman is that I think the Archbishop of Canterbury speaks, frankly, for the whole country when he says that it is unacceptable in a time of difficulty when people at the top of our society are not showing signs of responsibility. It is this Government who are consulting on proper measures to make sure we get transparency in terms of boardroom pay, proper accountability and more power for shareholders. All those things we are doing, and I have to ask the right hon. Gentleman, if he is so keen on this agenda, what did he do for the past 13 years?

Edward Miliband: I will tell you what we did, Mr Speaker. We introduced the 50p rate of income tax that the Prime Minister and his Chancellor want to abolish, but I am glad that we agree that something needs to be done about top pay. Now, last—*[Interruption.]* Conservative Members should just calm down. Follow the Prime Minister's advice: just calm down. Last March, his fair pay review, which he set up, recommended that the Government require by January 2012—so January next year—that every top company publish how much the highest earners get paid compared with the average earner. That type of transparency is the least we should expect. Can he confirm that this will happen from January 2012? Yes or no?

The Prime Minister: What the right hon. Gentleman will know is that unlike the previous Government, who did absolutely nothing, we are consulting on a whole series of steps to bring responsibility to the boardroom. I have to say that we are a little wary about accepting lectures from a party that told us it was intensely relaxed about everyone getting filthy rich—a party that had a capital gains tax system so that people in the City paid less tax than their cleaner. I know he has forgotten all these things but we remember them and we have done something about it.

Edward Miliband: Another report to Government; another failure to act. The truth is that the Prime Minister has sat on Will Hutton's review for the past nine months and has done nothing about it. That is why the recommendation is not going to be implemented. That is the truth about this Prime Minister: he says we are all in it together but he lets the top 1% get away with it while the other 99% see their living standards squeezed and lose their jobs. That is why people are increasingly saying that this is a Prime Minister who is totally out of touch with their lives.

The Prime Minister: I have to say that in the week when the Labour party has hired a former tax exile to run their election campaign, the right hon. Gentleman has got a bit of nerve to come and lecture us on that. Labour had 13 years to regulate the banks but did nothing. It had 13 years to deal with bank bonuses but did nothing. Now it is in opposition, its message to business is, "Give us some money—you can run our election."

Q2. [77736] **Jason McCartney** (Colne Valley) (Con): Cable theft has cost the rail industry £43 million in the past three years and Gurkhas have even been drafted in to patrol the network. Meanwhile, homes and churches are having their lead and copper pilfered and, in the past month, one churchyard in Huddersfield has had 169 memorial plaques stolen for their metal. Will the Prime Minister join me in saying that now is the time to legislate to stop those stolen metals going to merchants?

The Prime Minister: My hon. Friend makes an extremely important point. The theft of metal, particularly from war memorials, is an absolutely sickening and disgusting crime. We are working with the Association of Chief Police Officers to put in place an action plan to deal with this, which will involve looking again at the whole regulation of scrap metal dealers. We are determined to do that to put a stop to this appalling crime.

Mr Nigel Dodds (Belfast North) (DUP): People in my constituency and right across the country are desperately worried about the increasing cost of gas, electricity and home heating oil and about how they are going to keep their home warm this winter. What more can the Prime Minister tell the country he is going to do to help people in that situation? In particular, will he reverse the cuts to winter fuel allowance that hit senior citizens? Surely, it is not good enough simply to say that he is following the Opposition's plans—he has done so many things differently from the Opposition, so why does he not do something different on the winter fuel allowance?

The Prime Minister: On the winter fuel allowance we have kept the plans that were set out by the previous Government and I think that is the right thing to do. On the cold weather payments, we have taken the increase that was meant for one year and maintained it, so if there is a particularly cold winter, people will be getting that help. The other step we are taking is making sure that energy companies give people proper information about the lowest tariffs they can get and that we have proper reform of the energy market—something that the Labour party has now suddenly started to talk about but did absolutely nothing about in government.

Q3. [77737] **Alun Cairns** (Vale of Glamorgan) (Con): Public sector pension reform should be achieved through negotiation and compromise. Does the Prime Minister agree that it is wholly irresponsible and downright destructive for senior politicians of any political party to support strike action while negotiations are ongoing?

The Prime Minister: I think my hon. Friend is entirely right. It is a very fair offer to hard-working public servants to say, "This is a strong set of pension reforms that will give you pensions that are still better than anything available in the private sector." Frankly, to have a Labour Front-Bench team who are silent on this issue, with their education spokesman actually encouraging teachers to strike, is the height of irresponsibility.

Q4. [77738] **Susan Elan Jones** (Clwyd South) (Lab): My constituents Alan and Linda Eastwood have a son who has been serving in our nation's armed forces in Afghanistan. In common with the Royal British Legion, Mr and Mrs Eastwood regard the Prime Minister's decision to abolish the post of chief coroner

as a betrayal. Will the Prime Minister tell us why he thinks he is right on this issue and the Royal British Legion is wrong?

The Prime Minister: This is a very important issue, and I have had discussions with the Royal British Legion about it, as has my right hon. and learned Friend the Lord Chancellor. The point about it is that the current proposal for the office of chief coroner to be established would involve something like £10 million of spending, and we think the money would be better spent on improving all coroners' services across the country. We are listening very carefully to the concerns expressed in both Houses of Parliament about this issue, but what really matters is: are we going to improve the performance of our coroners? That is what service families want; that is what I want; and that is what we will deliver.

Q5. [77739] **Mr David Evennett** (Bexleyheath and Crayford) (Con): Public sector workers in my constituency work extremely hard to deliver essential public services, and I know that my right hon. Friend agrees that we value those services tremendously. Will he reassure those workers and confirm that the Government's reforms—very necessary reforms that they are—will ensure that those services are sustainable and remain among the very best?

The Prime Minister: I will certainly do that. My hon. Friend makes an important point. The cost of supporting public sector pensions has gone up by one third in the last decade, and we are now spending something like £32 billion. They are a major item of public spending, and obviously we are taking taxes off people, including those in the private sector who have less good pensions, to pay for that pension provision.

I believe that our scheme is fair. For example, a teacher retiring on a salary of £37,000 after a full career would retire on a pension of £25,000 in future. That is more than the £19,000 that they would currently get. This is a fair set of changes. The less well-off are really protected, and the low paid in the public sector will not have to pay the increased contributions. Frankly, I think the whole House of Commons should get behind them instead of playing with strike action like the Labour party.

Mr Alistair Darling (Edinburgh South West) (Lab): When the Prime Minister goes to the G20 meeting over the next couple of days, will he try to persuade his colleagues of the urgency of coming up with some detail on the eurozone settlement reached last week? It is not at all clear how on earth Greece will get out of its difficulties, even if the referendum passes. European banks will need shoring up well before next summer, and as for the new rescue fund, which may be needed sooner than we think, it does not actually exist. Will he accept that the G20 now needs to show the same urgency and sense of purpose that it showed two years ago when it met in London? Otherwise, far from getting ahead of events, Governments will be condemned to being dragged along in their wake.

The Prime Minister: The right hon. Gentleman is absolutely right in what he says about the urgency of the G20 meeting, and the necessity of its agenda. I think some progress was made at the European Council meeting a week ago when, for the first time, it accepted a proper write-down of Greek debt, which must be part of the solution, and a proper recapitalisation of Europe's banks done to a credible test, rather than the incredible test we have had in months gone by.

The final element that the right hon. Gentleman rightly refers to—and which needs to have more detail and substance added—is to make sure there is a proper firewall to stop contagion in the eurozone. The need has become even greater. Frankly, of course we cannot involve ourselves in Greek domestic politics, but it has become even more urgent to put meat on the bones of these plans to show that we are removing one of the key obstacles to global growth, which is the failure to agree a proper plan to deal with problems in the eurozone.

Q6. [77740] **Mr Philip Hollobone** (Kettering) (Con): According to the Government's own projections, Britain's population is set to increase from 62 million today to 70 million by 2027, with two thirds of that increase being driven by immigration. Will the Prime Minister give a commitment to stem that increase by breaking the almost automatic link between foreign nationals who come to work here subsequently being granted citizenship?

The Prime Minister: We are committed to doing exactly that, and my hon. Friend is right to raise this issue. I think that proper immigration control and welfare reform are two sides of the same coin, and this Government are committed to controlling immigration properly, but also to putting British people back to work. The two work together.

Today, we have announced that, in terms of the illegal immigration that comes through the student route, more than 450 colleges will no longer be able to sponsor new international students, because they were not properly established to do that. Those colleges could have brought in more than 11,000 students to the UK to study each year. That is just one example of how this Government are living up to their promise to get a grip on immigration.

Q7. [77741] **Alex Cunningham** (Stockton North) (Lab): Does the Prime Minister agree with the vast majority of people that smoking should be banned in vehicles when children are present, and will he encourage the Government to adopt the contents of my ten-minute rule Bill, which aims to put an end to it?

The Prime Minister: I do think the smoking ban is right. I have to admit, as a former smoker, and someone who believes strongly in liberties and who did not support it at the time, that the smoking ban has worked, and I think it is successful. I am much more nervous about going into what people do inside a vehicle. I will look carefully at what the hon. Gentleman says, but we have to have a serious think before we take that step.

Mike Crockart (Edinburgh West) (LD): The Prime Minister will be aware of Citigroup's report, issued yesterday, on green energy investment in Scotland. Does he agree that this report very ably demonstrates that the benefits of green energy in the UK are unlocked only by combining Scotland's renewable potential with the large-scale investment made possible by the UK; and does he agree that a drawn-out independence referendum is a serious distraction from that?

The Prime Minister: My hon. Friend makes an important point. In fact, a major financial institution warned yesterday of the dangers of investing in Scotland while there is this uncertainty about the future of the constitution under way. I think it is very important that we keep our United Kingdom together and we stress that when it comes to vital industries like green technology, the combination of a green investment bank sponsored by the United Kingdom Government and the many natural advantages that there are in Scotland can make this a great industry for people in Scotland—but we will do that only if we keep our country together.

Q8. [77742] **Dr Alan Whitehead** (Southampton, Test) (Lab): Just after the election, the Prime Minister said that his Government would be the greenest ever. Does he still take that statement seriously? If he does, will he personally intervene to sort out the appalling chaos that is resulting from the slashing, in six weeks' time, of feed-in tariffs for solar PV, leading to substantial job losses, chaos in the solar PV industry, and devastation for hundreds of community renewables projects?

The Prime Minister: It is this Government who set aside £3 billion for a green investment bank, much talked about in the past but never done. It is this Government who have put in place a carbon price floor—one of the first Governments anywhere in the world to do so. It is we who put aside £1 billion for carbon capture and storage. So this is a very green Government living up to our promises—absolutely right.

Q9. [77743] **Jonathan Evans** (Cardiff North) (Con): Will the Prime Minister join me in congratulating the pupils and staff at Whitchurch high school, a foundation-status comprehensive school in my constituency? It is the former school of Sam Warburton, the outstanding Welsh rugby captain; Gareth Bale, the impressive footballer at Spurs and Wales; and Geraint Thomas, the gold medallist. It will be receiving the award for state school of the year for sports—

Mr Speaker: Order. We get the drift of the hon. Gentleman's question.

The Prime Minister: I have to say that that is a very impressive list of sports personalities who have attended this school; I do not know what they put in the water, but I think we would probably all like to have some. I certainly join my hon. Friend in congratulating such an excellent school.

Katy Clark (North Ayrshire and Arran) (Lab): In the past four years, six children and two adults have been killed in dog attacks, and some 6,000 postal workers are attacked each year. There is cross-party agreement that we need to tighten up the law in this area. Will the Prime Minister take a personal interest and make sure that legislation is brought forward as soon as possible?

The Prime Minister: The hon. Lady makes an important point. Legislative attempts at this in the past have not always been successful and have not always captured the breeds that need to be captured, so I will certainly take a personal interest, and perhaps I can write to the hon. Lady and set out what the Government intend to do.

Q10. [77744] **Simon Hughes** (Bermondsey and Old Southwark) (LD): Following the Prime Minister's answers a moment ago, and given the huge anger about the pay for the top 100 directors, can he give me a personal assurance that he is committed to the transfer of power over pay from the boardroom to the shareholders of our companies?

The Prime Minister: I do want to see that happen. The answer to this is much more transparency about the levels of pay, much more accountability, and strengthening the hand of shareholders. There is something else we need to do, which is to make sure that non-executive directors on boards are not the usual sort of rotating list of men patting each other's backs and increasing the level of remuneration. I want to see more women in Britain's boardrooms, which I think would have a thoroughly good influence.

Q11. [77745] **Mr David Lammy** (Tottenham) (Lab): The—*[Interruption.]*

Mr Speaker: Order. The House must calm down. I want to hear Mr David Lammy.

Mr Lammy: The Prime Minister has described his Work programme as the biggest back-to-work programme since the 1930s, but he knows that it does not create jobs—it merely links people to vacancies. In Tottenham, there are 6,500 people unemployed, 28,000 people on out-of-work benefits, and only 150 vacancies. What is his Work programme going to do about that?

The Prime Minister: As the right hon. Gentleman says, the Work programme plays a key role in helping to prepare people for work. That is absolutely vital. It also brings employers in, so that they can offer jobs to those people. I have looked specifically at the issue of Tottenham, because I know from when I visited his constituency with him that, yes of course, there is a shortage of vacancies in the borough of Tottenham itself, but we have to encourage people who live in London to be prepared to travel more widely to look for work. That is absolutely vital, and part of the Work programme should be aimed at addressing exactly that.

Mr Graham Stuart (Beverley and Holderness) (Con): Rural fire services attend more primary fires and more road traffic accidents than do those in urban areas, yet they receive less funding. This is typical of rural services across the piece, with residents paying more and receiving less. Will the Prime Minister meet me and a group of other MPs from across the House who represent rural areas, to discuss getting a fairer deal for those in rural areas, particularly the rural poor?

The Prime Minister: I am very happy to meet my hon. Friend. It is important that we have a fair deal for rural areas. There are obviously very big differences, particularly in the use of retained firefighters, but I am happy to meet him to discuss the issue.

Q12. [77746] **Gregg McClymont** (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): The Prime Minister knows, thanks to the Leader of the Opposition, that in nine months, the Government's business growth fund has invested in precisely two companies. At a time when the economy is flatlining, is that good enough?

The Prime Minister: What this Government have done is cut corporation tax for every business in the country. We have introduced enterprise zones to help employment, and increased the number of apprenticeships by 250,000 over the life of this Parliament. The Opposition criticise the regional growth fund, but there was no regional growth fund under Labour. That is the point. Let me just remind them that we inherited an economy with the biggest budget deficit in Europe, and it is this Government who are helping our economy through the international storms to ensure that we remain safe in the UK.

Jessica Lee (Erewash) (Con): This week is national adoption week. Does my right hon. Friend agree that we must continue to do all that we can to support children in the care system, and to encourage prospective adoptive parents to come forward?

The Prime Minister: My hon. Friend makes an extremely important point. In national adoption week, we really need more parents to come forward as potential adopters and potential foster carers, because there is a huge build-up of children in the care system who will not get that help unless people come forward. It is also important that the Government pledge that we will make the process of adoption and fostering simpler. It has become too bureaucratic and difficult, and the result is that it is putting people off. I am absolutely determined that we crack this. It is a matter of national shame that, while there are 3,660 children under the age of one in the care system, there were only 60 adoptions last year. We are now publishing information on every single council, so that people can see how we are doing in terms of driving this vital agenda.

Q13. [77747] **Thomas Docherty** (Dunfermline and West Fife) (Lab): This week, yet another military academic has called for the reopening of the defence review, and a leading military think-tank has said:

"Britain is now cutting military equipment that might prove vital in future."

Will the Prime Minister finally listen to the voices of the defence community and reopen his deeply flawed defence review?

The Prime Minister: We had no defence review for 10 years, and now the Opposition want two in one go. That is absolutely typical of the opportunism of the Labour party. This is a day, as hostilities in Libya are coming to an end, on which we should be praising our armed services and all that they have done.

Q14. [77748] **Guy Opperman** (Hexham) (Con): Schools in rural Northumberland were largely ignored by the previous Government. With the schools budget rising from £35 billion to £39 billion in 2015, will the Prime Minister welcome the finance bid put forward by Prudhoe community high school in my constituency?

The Prime Minister: I will certainly welcome that bid. It is important to note that, because we are protecting the per-pupil funding, even at a difficult time for the economy and public spending, the education budget will be rising and not falling—*[Interruption.]* As ever, the shadow Chancellor is wrong, even when he is sitting down. He talks even more rubbish when he stands up. I digress. As well as the extra investment in the schools budget, there is also the opportunity for free schools, which I think are going to be a major reform in our country, to bring in more good school places. Perhaps when a future shadow Chancellor attends one of those schools, he will learn a few manners. *[Interruption.]*

Mr Speaker: Order. Some people are going to burst they are getting so excited, which is a bit of a shame—and a bit of a problem for them.

Caroline Lucas (Brighton, Pavilion) (Green): Will the Prime Minister listen to both the campaigners outside Parliament today and the 80,000 people who have written to him in recent weeks, and commit to becoming a leading advocate for the introduction of a Robin Hood tax at the G20 summit later this week? Will he ensure that the revenue is earmarked to tackle sustainable development and the growing climate crisis?

The Prime Minister: As the hon. Lady knows, there is widespread support for the principles behind such a tax, but it must be adopted on a global basis. Let me say this as quite an important warning to those who are pushing so hard for such a tax: we must be careful that we do not allow other countries, including some European countries, to use a campaign for the tax, which they know is unlikely to be adopted in the short term, as an excuse for getting out of their aid commitments. The House and the country can be proud of the fact that we are meeting our aid commitments. Do not let others use the tax as a way getting out of things that they promised.

Q15. [77749] **Tim Farron** (Westmorland and Lonsdale) (LD): The world population passed 7 billion this week. That is an awful lot of mouths to feed. In addition, the UN predicts that over the next 40 years, world demand for food will increase by 70%. That ought to be good news for farmers, but sadly, since 1990, Britain's capacity to feed itself has fallen by a fifth. Does the Prime Minister agree that that is a disastrous situation, and will he urgently introduce a credible strategy to grow Britain's farming industry to feed us all in future?

The Prime Minister: My hon. Friend makes an important point. It is true that we have seen our food security decline and our food production severely challenged over the past 10 years. It is important to remember that farmers are businesses. They need things done like other businesses do on deregulation, predictable income and all those things. This Government are committed to making that happen, which will benefit particularly people in my hon. Friend's constituency.

Mr Clive Betts (Sheffield South East) (Lab): On 13 September 2010 at the Select Committee on Communities and Local Government, when asked whether success for this Government will mean building more homes per year than were being built prior to the recession, the Minister for Housing and Local Government replied:

"Yes. Building more homes is the gold standard upon which we shall be judged."

In which year or years of this Parliament does the Prime Minister expect that gold standard to be achieved?

The Prime Minister: What we have said is that we are going to expand the building of homes for social rent by increasing and reintroducing the right to buy, which the previous Government so scandalously ran down. That will help. We will also make available Government land, so that builders can get on and build without having to buy that land. They will have to pay only when they have actually delivered the house. We want to see an extra 200,000 homes built in that way, which will give us a far better record than that of the Government whom the hon. Gentleman represented.

Sir Peter Tapsell (Louth and Horncastle) (Con): Notwithstanding the increasingly maniacal gesticulations of the shadow Chancellor, is it not remarkable that in the middle of the world's biggest crisis, Britain is able to borrow at lower rates of interest than almost any other country in the world?

The Prime Minister: As ever, it takes the Father of the House to bring the wisdom to the table, which is that if we did not have a proper plan for getting on top of our debts and our deficit, we would not have 2.5% interest rates, which are the greatest stimulus our economy could have. Instead, we would have interest rates like those of the Greeks, the Spanish and the Italians, and our economy would be hit. Do you know how you get interest rates like that? You get them if you adopt the plans of the Labour party. Its plan is for an extra £87 billion of borrowing over this Parliament. You do not solve a debt crisis by adding to your debts—*[Interruption.]* The shadow Chancellor can go on making his rather questionable salutes, but it is time for him to take a primer.

Mr Speaker: Order. I appeal to right hon. and hon. Members who are leaving the Chamber, who unaccountably do not wish to remain for the statement, to do so quickly and quietly, so that the rest of us can listen attentively to the Chief Secretary.

Public Service Pensions

12.34 pm

The Chief Secretary to the Treasury (Danny Alexander): I wish to update the House on progress in the reform of public service pensions and to set out the new offer that we have made as we seek to bring this issue to a conclusion by the end of the year. Our objective is to put in place new schemes that are affordable and fair for taxpayers and public service workers, and that can be sustained for decades to come. That is not easy, but it is the right thing to do and I recognise that this is a contentious area.

Public service workers deserve a good pension in retirement as a fair reward for a lifetime spent serving the public. That is why in June last year, the Chancellor commissioned Lord Hutton, the Secretary of State for Work and Pensions in the previous Government, to take an impartial, dispassionate look at this issue and to bring forward proposals for reform. His landmark report has set the terms of the debate and I am sure that the whole House will share my gratitude for his work.

Lord Hutton's interim report found that there was a clear justification, based on the past cost increases borne by the taxpayer, for an increase in member contributions. We accepted that recommendation, and increases in member contributions will take place starting next year, although next year's increase merely reflects the increase already planned by the previous Government. In his final report, he set out a blueprint for a new landscape of public service pensions based on retaining defined benefit schemes, but moving to a fairer career average basis, and increasing the retirement age in line with the state pension age to protect the taxpayer against future increases in life expectancy.

We accepted Lord Hutton's recommendations in full as a basis for consultation and we have been discussing the recommendations with the trade unions. Those discussions started in February and are still going on. Despite some of the public comment, significant progress has been made. I pay tribute to the Minister for the Cabinet Office and the general secretary of the TUC for their tireless work to reach common ground on reform.

The trade unions have welcomed many of the commitments that we made at the start of this process, including that public sector schemes will remain as defined benefit schemes, with a guaranteed amount provided in retirement, and that all accrued rights will be protected. Everything that public servants have earned until the point of change, they will keep, and those things will be paid out in the terms expected and at the retirement age expected. Final salary means just that: a person's accrued rights will be based on their final salary not at the point of change, but when their career ends or they choose to leave the scheme. No public sector worker needs to have anything to fear for the entitlements that they have already built up.

We have also reached agreement on the importance of transparency, equality impacts, participation rates and opt-outs, scheme governance, and high level principles to inform consultations on scheme-level pensions. However, the central issue of the value of new schemes remains to be agreed. I believe that two aims need to be met. First, for most low and middle income workers, the new schemes should generate an income at retirement that is at least as good as the amount that they receive now. Secondly, the taxpayer needs to be properly protected from the risks associated with further increases in life expectancy, by linking the scheme normal pension age to state pension age.

In early October, we set cost ceilings to meet those tests. Those cost ceilings are based on Lord Hutton's recommendations and generate an accrual rate of 1/65th for the new schemes. Scheme-by-scheme discussions have been taking place on that basis since the beginning of October. Although the talks have been productive, trade unions and Ministers have given consistent feedback about what they think needs to change. Last week, the Minister for the Cabinet Office and I met the TUC negotiating team, who pressed for a more generous cost ceiling and explicit protections for those workers nearest to retirement. I have received similar feedback from the Secretary of State for Education and the Secretary of State for Health.

Having listened to those views, I have decided to revise the Government's offer. Cabinet discussed these matters yesterday, and I met the TUC this morning to set out the terms of our new offer. The offer increases the cost ceiling and provides for generous transitional arrangements for those closest to retirement. I have made available to Members today a document that sets out the detail. This generous offer should be more than sufficient to allow agreement to be reached with the unions, but it is conditional upon agreement being reached. I hope that on the basis of this offer, the trade unions will devote their energy to reaching agreement and not to unnecessary and damaging strike action. In that way, the offer can inform the scheme-by-scheme talks that will continue until the end of the year. Of course, if agreement cannot be reached, we may need to revisit our proposals and consider whether the enhancements remain appropriate.

I can announce today that I have decided to offer an increase to the cost ceiling. Future schemes will now be based on a pension to the value of 1/60th of average salary, accruing for each year worked. That is an 8% increase on the previous offer. I will give the House some examples of what that means. A teacher with a lifetime in public service and a salary at retirement of £37,800 would receive £25,200 each year under these proposals, rather than the £19,100 that they would currently earn in the final salary teachers' pension scheme. A nurse with a lifetime in public service and a salary at retirement of £34,200 would receive £22,800 of pension each year if these reforms were introduced, whereas under the current 1995 NHS pension scheme arrangements they would only get £17,300.

Pensions would remain considerably better than those available in the private sector. To earn the equivalent pension in the private sector, the teacher retiring on £37,000 would need a pension pot of around £675,000, and the nurse retiring on £34,200, a pot of £600,000. Both would require an annual contribution of around a third of salary.

In addition, I have listened to the argument that those closest to retirement should not have to face any change at all. That is the approach that has been taken over the years in relation to increases to the state pension age, and I think it is fair to apply that here too. I can also announce that scheme negotiations will be given the flexibility, outside the cost ceiling, to deliver

protection so that no one within 10 years of retirement will see any change in when they can retire or any decrease in the amount of pension they receive. Anyone 10 years or less from retirement age on 1 April 2012 can be assured that there will be no detriment to their retirement income.

We need to be clear about the backdrop against which this offer is made. I fully understand that families across the country are feeling financial pressure right now. These are unprecedented and tough economic times. But reform is essential because the costs of public service pensions have risen dramatically over the last few decades. The bottom line is that we are all living longer. The average 60-year-old today is living 10 years longer now than they did in the 1970s. That is a remarkable and welcome achievement, but it also means that people are living in retirement longer and claiming their pension for longer. As a result, the costs of public service pensions have risen to £32 billion a year, an increase of a third in the last 10 years. While they accounted for just under 1% of GDP in 1970, they account for around 2% of GDP today—more than we spend in total on police, prisons and the courts. And for the most part, it has not been the public service workers footing the bill, but the general taxpayer. We have to reform to ensure that the costs of pensions are sustainable in the long term and to ensure that costs and risks are fairly shared between employees and employers.

I believe this package is affordable. I believe it is also fair to public service workers, and delivers significant long-term savings to taxpayers who will continue to make a significant contribution to these pensions. If reform along these lines is agreed, I believe that we will have a deal that can endure for at least 25 years and hopefully longer. People are living longer, so public service pension reform is inevitable. But we have listened to the concerns of public sector workers and come up with a deal that is fair and affordable. The lowest paid and people 10 years from retirement will be protected, and public service pensions will still be among the very best available.

If reform of this sort is agreed, then no party in this House will need to seek further reform of the overall package. This sustainability is an important prize. I hope that the trade unions will now grasp the opportunity that this new offer represents. I also hope that the Labour party will do the right thing, put party politics aside, and support the proposals, which—after all—came from John Hutton, in the interests of securing a long term consensus on the future of public service pensions. It is the chance of a lifetime to secure good, high quality, and fair public service pensions.

Yes, we are asking public service workers to contribute more. Yes, we are asking them to work longer, along with the rest of society, but we are offering the chance of a significantly better pension at the end of it for many low and middle income earners. It will be a fairer pension, so that low income workers stop subsidising pensions for the highest earners. It will be a sustainable deal that will endure for at least 25 years, and an affordable deal that will ensure that taxpayers are asked to make a sensible contribution, but will keep costs sustainable and under proper control. That is the new offer I am putting on the table today; it is an offer that the Opposition should support and the unions should agree to and I commend this statement to the House.

Rachel Reeves (Leeds West) (Lab): I thank the Chief Secretary for his statement and for advance notice of it. I welcome today's signal that the Government are now willing to enter into proper discussions. That is a welcome change from the months of Treasury and Cabinet Office intransigence that came before.

Too often in recent months it has appeared that the Government have not understood that strikes are a sign of failure on both sides. Let us be clear: it was this Government's decision to rip up the framework established by the last Labour Government and to go much further much faster. In particular, it was the Chancellor's decision to pre-empt Lord Hutton and impose a 3% surcharge for all employees announced in the spending review last year, before negotiations had even begun. That decision suggested that rather than negotiating in good faith, the Government were intent on acting unilaterally and so provoking confrontation. It is good news, therefore, that the Government have at last made a constructive move to begin proper discussions.

Let me be clear: no one wants strike action. The Government and the unions have a duty to show that they have exhausted every possible avenue. Our focus is on those who rely on services that would be affected by strikes—from parents who will have to take a day off work to those who rely on home help. However, public sector workers—nurses, teachers and dinner ladies—also care too much about the people they serve day in, day out to consider action as anything other than a last resort, yet those who work in front-line public services are also desperately worried about their future and about whether they will be able to afford retirement. It is for the Government to ensure, therefore, that change is agreed and delivered in a way that brings with them the nurses, teachers, home helps and dinner ladies affected by the changes.

It is welcome that the Government have now recognised that announcing tactical offers on the airwaves, rather than constructive proposals in proper negotiations, is not the right way to proceed. However, I would suggest three key tests for a fair agreement. First, on affordability, do the changes deliver a fair deal for taxpayers when times are tough, taxes are rising and spending is being cut? Secondly, on fairness, do they deliver a fair deal for public sector workers on low and middle incomes, whose pensions are far from gold-plated and who have given so much to the services in which they work? Thirdly, on sustainability, do the changes deliver a workable settlement for the long term that does not undermine the sustainability of existing schemes and which can be flexible in the face of rising life expectancy? That is how we will judge the outcome of the negotiations.

To meet those tests, it has always been clear that public sector workers will need to accept higher contributions on average and, given that people are living longer, an increase in the retirement age, too. That was fundamental to the arrangements put in place by the previous Government for capping the Government's contributions and then, as costs rose, negotiating how to increase workers' contributions or change entitlements. Equally, however, the Government have to accept that for many low-paid staff, their pension is the only means of security in retirement. In a time of pay freezes, sharp increases in contributions risk hardship today and increased levels of opt-out, pushing up pensioner poverty in the

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future, which is why we have been critical of the confrontational stance taken by the Government and of the rush to early industrial action in June.

We will see in the coming days whether these moves are sufficient to restore the much-needed trust in these discussions that could ensure that, even at this late stage, there is still time for both sides to step back from the brink. We must all study the detail of what is now on the table, but on affordability will the Chief Secretary set out the cost of these concessions to the public purse? As he rightly sets out the transitional protections for workers in their 50s and tapering arrangements for those in their late-40s, can he say whether both these additional costs will have to be made by savings elsewhere in the system? On fairness, can he confirm that the proposed increase in contributions, if applied across the board, would still mean an increase in contributions for low-paid and part-time workers earning less than £15,000 a year? Have the Government assessed the impact of the pay freeze on opt-out rates from public sector pension schemes to date?

On sustainability, has an assessment been made of the impact of the 3% increase in contributions proposed from April and of whether increased drop-out rates could affect the viability of funded schemes, such as the local government scheme? Is it the Chief Secretary's intention that those affected as a result of the settlement will have the certainty of knowing that there will be no further changes for 25 years? How will he deliver on that commitment? Will he give the House a timetable for discussions over the next eight weeks, given his aim to secure agreement by the end of the year? I hope that he can reassure taxpayers and public sector workers—teachers, the police, home helps and others—on those points. The Government must leave no stone unturned in their negotiations to seek a genuinely sustainable agreement that is fair for public sector workers and taxpayers, and avoids a strike this autumn.

Danny Alexander: I am grateful to the hon. Lady for her response, although she left a few questions unanswered herself, which I shall come to.

On proper discussions, I reject what she said about the Government's stance. Talks have been going on constructively for the last eight months. The Minister for the Cabinet Office and I have spent many, many hours in those discussions, and if the hon. Lady talked to the trade unions, she would discover that they, too, see them as constructive. She also referred to the previous Government's cap and share arrangement. Let me tell her what Lord Hutton said about it in his report:

> "Cap and share cannot take account of the increases in cost of pensions over recent decades because people have been living longer. Also, untested, complex cap and share arrangements cannot of themselves, address the underlying issue of structural reforms, nor significantly reduce current costs to taxpayers."

In other words, the previous Government's arrangements were simply not good enough at controlling the costs in the way we need to.

The hon. Lady asked me several questions; let me address them directly. As I said in my statement, transitional protections and tapering are outside the cost ceiling, so they will not be met at the expense of other arrangements, which may be negotiated on a scheme-by-scheme basis. On contributions, there was an assumption, audited by the Office for Budget Responsibility, about the impact that 1% of pay bill would have on opt-out rates, which I accept. We are engaged in a separate track of negotiations with the local government pension scheme—which the hon. Lady also mentioned—precisely in recognition of the fact that it is a funded scheme and that therefore different considerations apply.

On affordability—the first of the hon. Lady's three tests—let me tell her that, yes, the changes are affordable. Her test is met. This test ensures—*[Interruption.]* Opposition Front Benchers are saying, "Part-time workers?" The contributions increase has been set out. We have ensured, on a scheme-by-scheme basis, that the contributions will be tiered according to income. Those earning less than £15,000 a year on a full-time equivalent basis will have zero—*[Interruption.]* The right hon. Member for Morley and Outwood (Ed Balls) likes to hector from a sedentary position. Instead of being the shadow chunterer, perhaps he will sit there and listen. We have made it clear that those earning up to £21,000 on a full-time equivalent basis will have a reduction. The full-time equivalent basis for pension reform is the basis—*[Interruption.]*

Mr Speaker: Order. There was quite a lot of chuntering earlier when the shadow Chief Secretary was speaking, and that should not happen. Those on the Opposition Front Bench have had their go, and I am afraid that they cannot pursue the debate again from a sedentary position. Let us hear the Chief Secretary. The House knows that I will allow plenty of time for questions, so we need not get aerated about it.

Danny Alexander: The full-time equivalent basis for pension reform is being approached in exactly the same way that the previous Government treated it. The hon. Lady's tests for affordability, fairness and a workable settlement are all met. She did not say, in the end, whether she supported the deal on the table to date. It is incumbent on the Opposition to understand the deal and support it. It is also incumbent on them to make clear their position on strike action. I hope that she agrees with me that, in light of the new offer and the constructive approach taken to the negotiations, she should not support trade unions going ahead with strike action later this month.

Harriett Baldwin (West Worcestershire) (Con): I welcome the extensive work that has gone into these proposals and would like to ask a question specific to my constituency and many others. Many teachers in my constituency work in the state sector, but over their careers they will often spend periods in the independent sector too. Will the proposals continue to allow inter-changeability between the two sectors?

Danny Alexander: If agreement is reached, they will. The arrangements that the hon. Lady describes are an important part of the discussions, but they depend on reaching a sustainable agreement on the future of public service pensions along the lines I have set out.

Dame Anne Begg (Aberdeen South) (Lab): I look forward to studying the proposals, because with pensions the devil is always in the detail. I have spoken to public sector workers, and the two things that they are most concerned about—and which might have encouraged them to vote for strike action at the end of November—are the large increase in individual contributions, on top of

what they already contribute, and the move from the retail prices index to the consumer prices index. I did not hear from the Chief Secretary's statement whether those two things remain in place, which would be a disappointment to public sector workers.

Danny Alexander: Those two things do remain in place. I understood from a previous debate that the Opposition supported the switch from RPI to CPI. We are going ahead with the increase in member contributions, which, as Lord Hutton said in his interim report, is necessary to rebalance the substantial increase in costs over the past few decades, which have been borne almost entirely by the taxpayer. Around the table with the trade union negotiators, the main issues raised in recent weeks have been the accrual rate, the transitional arrangements and the guarantee that we are reaching a long-term settlement.

Dr Phillip Lee (Bracknell) (Con): I welcome the Chief Secretary's statement. On many occasions in Bracknell and Finchampstead, I have met people in their 30s and 40s employed in the private sector—the majority of people in my constituency are employed in the private sector. Can he confirm that many in the public sector would have to contribute a third of their salary and pension contributions in order to get similar pensions in the private sector?

Danny Alexander: The hon. Gentleman is absolutely right: I can confirm that that would be the case. In some cases the figure would be more, depending on how the scheme-by-scheme talks that will go forward resolve the issue. In order to acquire a pension of the sort that we are rightly talking about for public sector workers, people in the private sector would need to acquire a pension pot of £500,000 or more, which would require a substantial salary contribution, of the order of a third.

Helen Goodman (Bishop Auckland) (Lab): The Chief Secretary made much of preserving accrued rights. However, to return to the CPI and RPI, what will the average loss be to public sector workers of making the switch permanent?

Danny Alexander: I think the hon. Lady may have been trying to welcome the protection of accrued rights, in which case I am grateful for her comments. She is right that the switch from RPI is a change to public service pensions that will reduce the benefits over the long term, although that will depend on the scheme and the individual involved. However, it is the right thing to do, because we are talking about the measure of inflation used by the Bank of England to set rates. The answer to the hon. Lady's question will depend on the individual scheme and the individual person.

Stephen Williams (Bristol West) (LD): Both the Liberal Democrat manifesto, which my right hon. Friend authored, and the coalition agreement committed the Government to an independent review of pensions, and one cannot get more independent than the former Labour Secretary of State, Lord Hutton. Will my right hon. Friend confirm that what he has set out today is more generous to future pensioners and current employees than Lord Hutton recommended, while maintaining fairness for the taxpayer?

Danny Alexander: My hon. Friend is absolutely right to celebrate Lord Hutton's independence in this matter. It is a measure of the Opposition's lack of interest in the subject that they have not even asked for the statement to be repeated in the House of Lords, so that Members there can hear directly from Lord Hutton. He did not recommend a level of adequacy, but he did say that the floor threshold should be the adequacy rates set out by Adair Turner. The offer that I am announcing today is 40% more generous than those floor adequacy rates.

John McDonnell (Hayes and Harlington) (Lab): Is it not true that the vast majority of public servants will still be paying more and working longer, and that a significant number will still lose out? The protections for the lower-paid will not affect trained firefighters, trained teachers or trained doctors, or many other public servants. The accrued rights that the right hon. Gentleman has offered are actually a legal duty, and he will exacerbate the industrial relations climate by making an offer, but at the same time threatening to take it off the table.

Danny Alexander: I know that the hon. Gentleman has taken a long interest in these matters, but he is wrong in his characterisation. He is of course right that we are asking public sector workers to work longer, to set the normal pension age in line with the state pension age, but frankly that is happening to every single person in this country. Public sector workers cannot be immune from that trend any more than anyone else. He mentioned firefighters. Let me say that good discussions are taking place on the firefighters' pension scheme. We have delayed setting a cost ceiling to take account of all the factors in the firefighters' pension scheme, particularly the double accrual.

Heather Wheeler (South Derbyshire) (Con): May I welcome today's statement and pass on the comments made to me by teachers in South Derbyshire in both the private sector and the public sector? It is important that accrued rights remain and that it is easy to move between the two areas, because the private sector is very strong indeed in Derbyshire.

Danny Alexander: I am grateful for those comments. It is important that teachers, health workers and civil servants study for themselves what the Government are offering. There has been a great deal of misinformation around this debate. We are setting out a document today that describes the position in detail. A new website, too, will be available for public sector workers to see precisely what it might mean for them. I hope those people will seek to form their own opinion of what the Government are offering.

John Cryer (Leyton and Wanstead) (Lab): Will the Chief Secretary clarify one comment he made in his statement, when he said that the offer is conditional upon reaching agreement? Does that imply that any industrial action taken anywhere by any trade union member will mean the offer being withdrawn?

Danny Alexander: No, this is not conditional on industrial action. Some unions are saying that they are planning strikes on 30 November. Talks on a scheme-by-scheme basis will still be going on at that time. I hope that those unions will feel that, on the basis of this offer,

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they no longer need to go ahead with that action. I think that would be a constructive response to what I have set out today. The offer is conditional upon an agreement being reached—an agreement by the end of the year on the heads of terms on a scheme-by-scheme basis. It is appropriate that we set out a good offer; as a Government, we want to reach agreement, but at the end of the day the trade unions need to want that, too.

Mr Bernard Jenkin (Harwich and North Essex) (Con): May I commend my right hon. Friend for his statement and for the tone in which he has delivered it—and, indeed, commend my right hon. Friend the Minister for the Cabinet Office and Paymaster General? Will the Chief Secretary welcome the notes of conciliation in the response by Her Majesty's official Opposition? Although our politics does not lend itself to consensus, is this not a subject on which we wish to reach a broad consensus both for the well-being of public sector pensions and for the country and economy as a whole?

Danny Alexander: I am grateful to my hon. Friend for his welcome and I agree wholeheartedly with his comments. It is precisely the sort of subject on which there should be a cross-party consensus. I think a consensus could be formed around the proposals we have made today. The shadow Chief Secretary says that she wishes to study our proposals. That is fair enough, but I hope that she will see on reflection that the proposals we are putting forward are the right way to go forward on public service pensions both for public sector workers, who are fully entitled to a proper and decent pension, and for the taxpayer as a whole.

Geraint Davies (Swansea West) (Lab/Co-op): Does the Minister agree that the statement consisted of sacrificing long-term pension rights to pay for a short-term failure to stimulate economic growth? What we are seeing, after 13 years of industrial peace, is the return of mass strike action due to Tory economic failure and a threatening, macho approach to negotiation. *[Interruption.]*

Mr Speaker: Order. It would be more seemly if the hon. Gentleman were not standing with his hand in his pocket, but I must say to the Education Secretary that he really should not keep on expostulating noisily from a sedentary position. If he were to do that in one of the nation's classrooms, he would be in detention by now.

Danny Alexander: The Education Secretary's noisy expostulations have been thoroughly in support of what the Government are doing; as such, I welcome them. I think that the tone struck by the hon. Member for Swansea West (Geraint Davies) is entirely out of keeping with the tone of the debate so far. For all the reasons I have given, reform of public sector pensions is necessary. It is important that we get it right and that we do so by agreement if we can. That is this Government's objective.

Mrs Anne Main (St Albans) (Con): I share the disappointment at the rather lukewarm response on the Labour Benches. May I ask my right hon. Friend to stress to the unions that this is not the opening salvo in further negotiations, so they really should take this as a realistic opportunity to come up with a long-term solution for the 25-year period that would be best for the taxpayer? I sincerely hope that the unions take that in the spirit in which it is intended so that we do not have industrial action over the winter.

Danny Alexander: I am grateful to the hon. Lady for her comments. I sensed from our earlier discussions that the trade unions recognised that this was a constructive step by the Government. It is the best offer that is going to be on the table; I think it is important that it is understood in that sense.

Tony Lloyd (Manchester Central) (Lab): Neither the Chancellor yesterday nor the Chief Secretary today answered the question about part-time workers—specifically about those earning less than £15,000 whose wages would be above that if they were working full time. Will the Minister tell us clearly whether those people will end up paying the 3% contribution? If so, he must understand why there cannot be an easy consensus on the issue.

Danny Alexander: As I said in answer to the shadow Chief Secretary, the proposals are on a full-time equivalent basis, which is exactly the way pension reform was carried out under the previous Government. Of course, the matter was open for discussion in the consultations about the first year's contribution increases. We look forward to hearing the results of those consultations.

George Freeman (Mid Norfolk) (Con): I welcome the statement and congratulate the Front-Bench team on the work they have done to go as far as they can to help the low-paid. Is it not the truth that we are facing a crisis of spiralling costs from an irresponsible boom in the public sector under the last Government—with unfunded pension liabilities, bankrupt public finances and debt interest set to rise to £76 billion? Is it not the truth that it is always the poorest that pick up the bills for Labour and that a responsible—

Mr Speaker: Order. The trouble with Members crafting their questions word for word is that they tend to be rather long.

Danny Alexander: The hon. Gentleman is right that the poorest in society end up paying the price for the loss of financial control that we saw in this country under the previous Government. He referred to the liabilities in public service pensions. Those liabilities are, on the latest figures, more than £1.1 trillion. That is the entire education budget for more than 20 years.

Mr Nigel Dodds (Belfast North) (DUP): I welcome the flexibility that the Government are showing today in moving this whole issue forward. Where the statement dealt with the Government's revised offer, the Chief Secretary provided some examples of the benefits that will accrue to some workers. Will he outline some examples of where people will be worse off? To press him on the point about the consumer prices index, he must surely have the facts and figures, but by how much on average will people be worse off as a result of the switch from RPI?

Danny Alexander: The right hon. Gentleman asks who will be worse off, which is a fair question. One flaw with the current final salary arrangements in the public sector is that the contributions of low-paid workers go towards subsidising the pensions of the highest earners.

That is one reason why we want to move to a career average basis. Some of the losers from that would be the highest paid, particularly those such as chief executives of local authorities, who receive a large jump in salary at the end of their career and then get a pension as if that were their salary for their whole lifetime.

Jenny Willott (Cardiff Central) (LD): There has been much concern over the last few years about a race to the bottom with pensions, particularly given the parlous state of pensions in much of the private sector. Can the Minister reassure us that the proposals currently on the table will remain a gold standard and will ensure generous but sustainable pensions in the public sector in the long run?

Danny Alexander: My hon. Friend is right to remind us of the context in which 13 million workers in the private sector have no pension provision at all. That is something that will be taken care of as the NEST—National Employment Savings Trust—scheme is introduced. These will remain gold standard pensions. It is quite right that public sector workers who make a lifetime of contribution to serving this country should get the best pensions available, but the proposal will ensure that the costs are brought under control and that it is affordable to the taxpayer—not just now, but in the decades to come.

Nic Dakin (Scunthorpe) (Lab): I very much welcome the tone of the Chief Secretary's statement. In line with the principle of transparency, which he underscored in his statement, will he make sure that there is an independent valuation of the teachers' pension scheme?

Danny Alexander: I am grateful for the hon. Gentleman's welcome of the tone we have taken. I hope that, in due course, he will welcome the substance as well. As to valuation information, it is being provided in the context of the scheme-by-scheme discussions. The trade unions have put forward many requests for information to be provided so that alternatives can be costed. All that work is going on in the context of the scheme-by-scheme discussions, but the valuation that was going to take place has been suspended on the basis that changes have been made, not least to the discount rate, which make that work invalid. It is best to wait until a new scheme is in place before we carry that work forward.

Margot James (Stourbridge) (Con): I very much welcome the transitional arrangements outlined by my right hon. Friend for people 10 years away from retirement. It is particularly important for groups that would have joined the public services at a time when, unlike now, public sector pay was less than private sector pay. Will he outline roughly how many people will be affected?

Danny Alexander: I am grateful for those comments. The transitional protection is a very important part of this new offer. It is right that people who are within 10 years of retirement should have certainty about their planning for retirement. That principle has been observed on both sides in respect of the state pension age. I estimate that the transitional provision will protect more than 1 million public sector workers from any impact at all as a result of the changes.

Gordon Banks (Ochil and South Perthshire) (Lab): Can the Chief Secretary confirm that every penny paid in increased pension contributions will find its way into pension pots?

Danny Alexander: As the hon. Gentleman should know, in unfunded schemes there is no such thing as a pension pot. The money is not gathered together and invested. The contributions made today do not in any way meet the costs of the pensions being paid out today. What we are offering is what might be called a new deal for public service pensions, whereby additional contributions and longer working will help to ensure that public sector workers can still have the best pensions available. Many low-income workers will actually receive better pensions in retirement.

Sarah Newton (Truro and Falmouth) (Con): I welcome the statement, because I think it demonstrates that the Government are listening to the concerns expressed by nurses, teachers and firefighters in my constituency. During the scheme-by-scheme discussions, will the Chief Secretary bear in mind those with physically demanding jobs, such as firefighters? Will they retain the right to retire before reaching the state pension age, while still benefiting from their pensions?

Danny Alexander: That is a very good question. We are, of course, listening carefully to representations. As I have said, we have delayed setting a cost ceiling for the firefighters' pension scheme, particularly in the light of some of the issues that my hon. Friend has mentioned, but what we are discussing now is the normal pension age for schemes; early retirement arrangements on an actuarily reduced basis will remain in place.

Pat Glass (North West Durham) (Lab): Most of the examples given by the Chief Secretary have involved well-paid public sector workers who have been in continuous employment, but many of my constituents do not fall into that category. Can he tell us how a low-paid part-time worker earning, say, £8,000 a year and working 15 hours a week would fare?

Danny Alexander: I cannot give a specific example, because I do not have the necessary figures to hand, but I can say that I expect the lowest-paid people to benefit most from these arrangements. At present, those on the lowest salaries and with the flattest career paths contribute most to the pensions of the highest earners. The change to a career-average basis will ensure that many workers, particularly of the sort whom the hon. Lady has described, end up with more rather than less income in retirement. I consider that to be a right and proper reward for those people's commitment to public service.

Guto Bebb (Aberconwy) (Con): I too welcome the statement, but given that economic growth, economic development and job creation in my constituency depend on the small business community, can the Chief Secretary advise owners of small businesses how they should go about amassing a pension pot of half a million pounds before they retire?

Danny Alexander: It is true that in the private sector an enormous volume of contributions would be necessary to build up the pension pot that is required to fund the

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pensions that we are discussing today. The equivalent would be a pension pot of £600,000 or £700,000 a year. That is a measure of the Government's recognition of the commitment that public service workers make.

Derek Twigg (Halton) (Lab): The Chief Secretary said earlier that the general taxpayer rather than public service workers had been footing the bill. May I point out to him that public service workers are also taxpayers, and that it has not helped that some people have been able to use the high pensions of the best-paid in the public sector as a typical example of those in the rest of the sector? We all know that pensions in the rest of the sector are very low.

Will the Chief Secretary place in the House of Commons Library some typical examples of the way in which the change from RPI to CPI has affected different sectors? Perhaps he could include examples involving part-time workers such as those cited by my hon. Friend the Member for North West Durham (Pat Glass).

Danny Alexander: As I said earlier, that depends on a variety of circumstances, but today we are publishing a document that the hon. Gentleman can obtain from the Vote Office, entitled "Public sector pensions: good pensions that last", and I am sure that it will provide much of the information that he requires.

Jo Swinson (East Dunbartonshire) (LD): I welcome my right hon. Friend's improved offer on public sector pensions, which shows that the Government are serious about meaningful negotiations. Will he challenge the rather misleading claims from some quarters that people will have to pay more, work longer and get less? Surely the truth is that—although people will indeed have to pay more and work longer—far from getting less, they will get much more, not least because on average they will receive 10 years' more pension payments than the previous generation.

Danny Alexander: My hon. Friend is absolutely right, and she is also right to warn people against some of the misleading propaganda that is circulating. I think it important for public sector workers—teachers, nurses and civil servants—to take time to study the offer that we are making for themselves. The document that we are publishing will be available on a website, so they can check out the new arrangements. As my hon. Friend says, yes, we are asking people to work longer and yes, we are asking them to contribute more, but many people will receive a significantly better pension on retirement than they would receive now.

Fiona Mactaggart (Slough) (Lab): I was grateful to the Chief Secretary yesterday for answering my question about public sector workers who will no longer contribute to their pensions. He told me then that he expected 1% of the pay bill to cease to contribute, but added that he did not know who that 1% were. Given that they are very likely to be low-paid part-time workers rather than the highly paid chief executives to whom he has referred, will he make the figures available to the House?

Danny Alexander: It is true that I gave the figure of 1% of the pay bill. That is an assumption that was audited by the Office for Budget Responsibility and published in the relevant fiscal forecast that it presented. It is precisely for the reason given by the hon. Lady that we have chosen to tier the pension contribution increases according to income, so that no one earning less than £15,000 a year will experience any contribution increase. Those earning between £15,000 and £21,000 a year will experience a much reduced increase, while the heaviest burden of increases will be borne by the highest earners. That is the right and proper way in which to ensure that there are no opt-outs.

Andrew Percy (Brigg and Goole) (Con): While it is true that all taxpayers pay for the pensions that we are discussing, it is low-paid private sector workers working beyond retirement age—such as my dad—who are subsidising public sector pensions while receiving none of the benefits. I therefore welcome the proposed changes, and hope that my former colleagues in the teaching profession will accept them.

Firefighters' pensions were mentioned earlier. Firefighters from my constituency whom I met yesterday were worried less about change than about whether they would be fit to do their job after the age of 55. Are the Government still prepared to discuss that issue with the union?

Danny Alexander: Yes, and John Hutton said in his report that he thought it appropriate to retain a lower retirement age for firefighters, the armed forces and the police. It is precisely because of the importance of such issues that the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Bromley and Chislehurst (Robert Neill)—who is leading the negotiations—is taking longer than expected to set the cost ceiling. That will enable us to ensure that the arrangements for firefighters are appropriate and will allow them to continue to receive a very decent pension in return for what is a very important contribution to our society.

Mr Andrew Love (Edmonton) (Lab/Co-op): Like many other Members, I received a delegation of teachers last week, and they told me that their current scheme was fair and sustainable. They will be less than delighted by the Chief Secretary's earlier answer relating to a valuation of that scheme, for which they have been calling for some time. Does the Chief Secretary recognise that he must come clean about the costs to both taxpayers and employees if he is to win the battle to change hearts and minds?

Danny Alexander: Of course I recognise that we must win that battle for hearts and minds. That is why I am providing so much information today, and urging public sector workers to look at the Government's deal directly rather than necessarily relying on the information that they receive from their trade unions.

I do not think it right to suggest that the current teachers' pension scheme is fair and sustainable. Let us consider the relevant contribution rates. When the scheme was introduced many decades ago, employer and employee each contributed 5%. Now the employer contributes 16%, while the employee contributes about 6%. There has been a big change in the affordability of the scheme, and so far all the cost has fallen on the taxpayer.

Geoffrey Clifton-Brown (The Cotswolds) (Con): Does my right hon. Friend agree that the public sector should examine very carefully the generous revised terms that he has announced before considering strike action?

Such action would merely serve to hurt millions in the private sector who pay their taxes in order to produce public sector pensions that they themselves can only dream of.

Danny Alexander: I do indeed hope that the trade unions will examine the proposals carefully. I was encouraged when they said that they would at our meeting this morning. Of course trade unions need to take time to understand the impact of the changes, but I hope that on reflection they will accept that the new offer constitutes a generous enhancement from the Government, and a fair and reasonable basis on which to reach agreement in the scheme-by-scheme talks that will take place during the next couple of months.

Lilian Greenwood (Nottingham South) (Lab): The Chief Secretary said he believed that pension changes should be sustainable and fair. Will he confirm that he intends additional contributions to the local government pension scheme—which is a funded scheme—by scheme members to go straight to the Treasury rather than into their pension fund?

Danny Alexander: No, that is not correct.

David Rutley (Macclesfield) (Con): According to reports in today's press, only 40% of private sector workers receive pension contributions, while 85% of public sector servants receive not only a pension, but a more generous one. Does my right hon. Friend agree that it is time to address these differences, rather than engage in irresponsible strike action?

Danny Alexander: I wholeheartedly agree that it is time to address these differences, but not by trying to get public sector involvement in pensions down to the level in the private sector. What we need to do is what we have done today: set out an offer that combines affordability for the general taxpayer with proper pensions as a reward for a career in the public service, along with steps to encourage more private sector workers to involve themselves in pensions. That is precisely the basis of the new NEST scheme, which the Minister of State, Department for Work and Pensions, my hon. Friend the Member for Thornbury and Yate (Steve Webb), is taking forward.

Diana Johnson (Kingston upon Hull North) (Lab): Does the Chief Secretary regret the way negotiations have been conducted so far, with him practising megaphone diplomacy, not providing information requested by the trade unions, and causing a great deal of distress and upset to my constituents who are public sector workers?

Danny Alexander: I think what the hon. Lady has said is total nonsense; that is not an appropriate characterisation of what we have done. I do not regret the way the talks have progressed for the past eight months, and I look forward to reaching agreement on this issue, with or without the support of the Opposition.

Gavin Williamson (South Staffordshire) (Con): Will my right hon. Friend outline how he thinks the unions should respond to the proposals he has set out today? Does he agree with most Members on the Government Benches, who think the unions should respond by today calling off any planned industrial action?

Danny Alexander: It is for the unions to reflect and decide on their response. I am not standing here at the Dispatch Box to respond for them; it is strange enough to respond for the Liberal Democrats and the Conservative party. I hope that the trade unions will, on reflection, realise that this offer provides a justification for putting renewed effort and vigour into the scheme-by-scheme discussions and much less effort and vigour into any possible strike action.

Kevin Brennan (Cardiff West) (Lab): What is the cost to the public purse of the changes the right hon. Gentleman has announced today?

Danny Alexander: The cost ceiling under these changes will be 8% higher than the previous cost ceiling we set out.

Mr Dominic Raab (Esher and Walton) (Con): My question has just been answered.

Mr Speaker: Well, that is a first—not the fact that the question has been answered, but the fact that a Member has been self-denying to the extent that he sits down when his question has already been dealt with. That is an interesting precedent.

Mark Durkan (Foyle) (SDLP): Has the Chief Secretary taken into account the particular responsibilities of devolved Administrations and the rights of their public sector workers—many of them low paid, and all of them tax-paying—and do the terms of today's offer differ from the previous terms about which he wrote to those Administrations?

Danny Alexander: The hon. Gentleman makes a very important point. These matters have been discussed regularly at the Finance Ministers quadrilaterals, which bring the Finance Ministers of the devolved Administrations and me together, so people have been kept informed. The tradition has been that the devolved pension schemes follow by analogy the agreements reached at a UK level. I will write to the devolved Finance Ministers to set out what I have announced today, so they can take that into account in their own decisions on these matters.

Martin Horwood (Cheltenham) (LD): I strongly welcome the improved flexibility, and ask that we be as generous as that allows. This is not just about fair rewards in future or burdens on the taxpayer; it is also about recruitment and retention now, to keep people in the police, teaching and, in my constituency, GCHQ, working for the well-being and safety of taxpayers and non-taxpayers alike.

Danny Alexander: My hon. Friend makes the point that public sector workers have traditionally considered the level of pension to be an important part of their reward package, and they are right to think that. I hope my hon. Friend agrees that the offer we have set out today constitutes a very fair reward for a career spent in precisely the sort of public service institutions he has described.

Katy Clark (North Ayrshire and Arran) (Lab): The Chief Secretary will be aware that one of the concerns about increasing contributions is that that will lead to a rise in opt-out rates, particularly among low-paid and part-time workers, most of whom are women. In his

[Katy Clark]

answer to my hon. Friend the Member for Slough (Fiona Mactaggart), he mentioned an assumption of 1% of the pay bill, but the schemes and their memberships are very different. Will he ensure that opt-out rates are analysed on a scheme-by-scheme basis, as rising contributions could have a major effect on the viability of some schemes?

Danny Alexander: We have taken that on board through the proposals for a tiered increase in contributions. The hon. Lady will be aware that 80% of the public sector workers who earn less than £15,000 a year and will not have any contribution rate at all are women.

Richard Graham (Gloucester) (Con): Some months ago, when the Minister for the Cabinet Office and Paymaster General told the House that one of his key negotiating goals was to protect, if not improve, the pensions of lower and middle-earning public sector workers, not all my constituents were convinced. Today, he and the Chief Secretary have delivered on that promise, and hard-working nurses at the Gloucestershire royal hospital and teachers in Gloucester will welcome the news that many of them will have better pensions than at present. However, does the Chief Secretary share my disappointment that the Opposition Front-Bench team has been unable to welcome today's news, especially as workers in businesses such as Wall's in my constituency have recently seen their own pensions significantly watered down?

Danny Alexander: I agree. My hon. Friend is right to draw attention to the important role played by the Minister for the Cabinet Office and Paymaster General. If I may say so, we make a good team in these negotiations. These are very generous pension schemes, particularly for low and middle-income earners, and rightly so. We must make sure the funding of them is sustainable in both the short term and the long term. That is one of the reasons why I find the Opposition's lack of welcome for the announcement so frustrating.

Julie Elliott (Sunderland Central) (Lab): Although I welcome the Chief Secretary's statement, I am disappointed that it has taken eight months to get any serious negotiation and any movement from the Government. I am particularly concerned about two issues. The first is to do with low-paid women workers in the pension scheme, and particularly those who work part time. Has any analysis been done of the possible impacts if they opt out of their pension scheme, therefore receiving less money when they retire from the benefits they then receive? On the firefighters' pension scheme, we have heard conflicting answers from the Chief Secretary: he has said they will have actuarially reduced pensions, but he has also said they will be allowed to retire early. I am therefore a little confused as to where the Chief Secretary stands on that.

Danny Alexander: I am very grateful indeed for the first welcome for my statement from an Opposition Member. The hon. Lady is right that it is important to consider low-paid workers, which is why we are proposing to move to a career-average basis, under which low-paid workers will keep more of their own contributions, instead of subsidising the pensions of the highest earners. It is also why we have tiered the contributions increase in order to try to prevent opt-out. The negotiations on the firefighters' scheme are ongoing, and I am told they are going well. We have delayed the publication of the cost ceiling to make sure we can take into account all the issues raised by firefighters in the discussions.

Jane Ellison (Battersea) (Con): I welcome today's statement. Many of the measures will meet the concerns of people such as the firefighters I met yesterday. On career-average earnings, does my right hon. Friend share my aspiration about the system being fairer to those who have taken career breaks, many of whom will be women?

Danny Alexander: I am grateful to my hon. Friend for reminding me of that important point. Public service pensions must reflect not only the careers of people who spend an unbroken working life in the public sector, but the careers of the many people who take time out. By having a career-average basis, especially when each year's contribution is revalued by earnings, people who take a career break will still get the full value of the contributions they have made in both parts of their career.

Christopher Pincher (Tamworth) (Con): I congratulate the Chief Secretary on listening so carefully and responding so generously to the representations on pensions. The police cannot strike, of course, and Lord Hutton has dealt with them separately, but can the Chief Secretary tell us a little more about the proposals for police pensions?

Danny Alexander: Those proposals will be brought forward later. Police pensions are being considered by Tom Winsor in his second report. His recommendations will not be about the police alone, but we need to make sure that police officers get a proper, fair and decent pension for the contribution they make to our society.

Mr Clive Betts (Sheffield South East) (Lab): The Chief Secretary has once again said that all accrued rights will be protected. Will he confirm, however, that the change from the retail prices index to the consumer prices index will, in practice, affect the accrued rights of every single member of every public sector pension scheme?

Danny Alexander: I do not believe that that is a correct use of the term "accrued rights". Of course we will protect the accrued rights in full. The RPI to CPI switch will have the effect that I described in my statement. That is the subject of a legal dispute at the moment, but it was the right decision by the Government.

Andrew Bridgen (North West Leicestershire) (Con): Has the Chief Secretary received any constructive representations from the Labour party regarding this important topic or has its involvement been limited to the irresponsible words of the shadow education spokesman, who is no longer in his place, condoning teachers' strikes?

Danny Alexander: I am yet to receive a constructive suggestion from the Labour party, but I live in hope.

Stephen Lloyd (Eastbourne) (LD): I welcome the statement. As the Chief Secretary knows, I broadly support the direction of travel that the Government have been taking, but I had some concerns. I think that tremendous progress has been made and I am grateful for that. I have a technical question that is important to a lot of my constituents: what is the current split between employer and employee contributions for teachers and nurses, and how would that change under his proposals?

Danny Alexander: I am grateful for my hon. Friend's welcome. Today's announcement will increase the cost ceiling for the talks. We will make sure that the employer contribution is still significantly greater than the employee contribution, but of course the contributions increase that we are proposing rebalances them to take account of past increases and longevity. On the teachers' pension scheme for England and Wales, the gross cost ceiling that we are setting out today will be 21.7%, the taxpayer contribution will be 12.1% and the employee contribution will be 9.6%. Of course these matters still have to be discussed in the teacher scheme-specific negotiations, but that is the basic framework that we are setting out today.

Mr Peter Bone (Wellingborough) (Con): The whole House will welcome the statement from one of the most capable Ministers in the coalition Government, who has been keeping the House informed. The point about the transition was the biggest concern to constituents who came to see me. May we have it clearly put on the record that nobody who is within 10 years of their current retirement date will have to retire later or will be worse off?

Danny Alexander: I am grateful for the hon. Gentleman's comments, and I hope that Mrs Bone shares his views. He is right to say that nobody who is within 10 years of retirement on 1 April next year will see any change either to their retirement age or to the benefits that they receive.

Mr Speaker: That answer will doubtless wing its way to Mrs Bone in a matter of minutes.

Stephen Mosley (City of Chester) (Con): I congratulate the Chief Secretary on his statement. May I also ask him to continue to negotiate and engage positively with the trade unions in the weeks and months ahead?

Danny Alexander: The hon. Gentleman can certainly ask that and I certainly will do so. The Government are setting out this new offer, which is conditional on agreement being reached. The Government will continue to work very hard to achieve that agreement, both in the scheme-specific discussions and in the central process, which we will also continue.

Charlie Elphicke (Dover) (Con): Does the Chief Secretary agree that, as longevity is still increasing by about two years a decade and is likely to carry on doing so, we cannot stick our head in the sand or sit on the fence, as we have seen the Opposition do? All parties need to work together to reach a proper consensus, so that we can achieve a long-lasting, sustainable settlement.

Danny Alexander: I think that it would be in the national interest to have a proper cross-party consensus on today's proposals. The hon. Gentleman is right to highlight the increases in longevity. By linking the normal pension age to the state pension age we can ensure that the taxpayer is protected from that in future, because as longevity increases, the state pension age can be changed. That is the right way to protect pensions, rather than the previous Government's cap and share arrangement, which would have meant complex negotiations every three years. That would have resulted in both increases in contributions and reductions in benefits every three years. By setting out this scheme now, we have one that can last for 25 years without the need for further negotiation.

Mr Philip Hollobone (Kettering) (Con): In the private sector, where most people work, getting an annual pension of £10,000 typically requires a pension pot of £200,000, which would buy a very nice house in Kettering. Does the Chief Secretary share my concern that many public sector workers seem to think that private sector provision is far more generous than it actually is?

Danny Alexander: The hon. Gentleman is right about that, and he makes an important point. Part of the reason for setting out some of the information about pension pots today is precisely to widen public understanding of the comparison. That is not to do down public sector workers—in fact, what we are setting out today is a properly positive and generous offer to them—but we are making it clear that there is a wide gulf and we need to raise standards in the private sector too.

Mr Speaker: I thank the Chief Secretary and colleagues, whose succinctness enabled 47 Back-Bench Members to question the Chief Secretary in 41 minutes of exclusively Back-Bench time. It shows what can be done when we try.

Point of Order

1.34 pm

Derek Twigg (Halton) (Lab): On a point of order, Mr Speaker. Earlier, the Minister for the Cabinet Office said that the time for transparency had come, yet when I asked the Chief Secretary, who is now leaving, to put in the Library examples of how the changes that he announced today will affect different sectors in typical cases, he refused to do so. You will know that pensions are a complicated area. We have been given the information today but we have not seen the details yet. Surely you would agree that putting in the Library some examples of the impact on different sectors would have helped the House to come to some conclusion about whether the deal is good or bad. Can you give us any assistance in ensuring that we get that sort of information, which would be helpful to the whole of Parliament?

Mr Speaker: The hon. Gentleman is underestimating himself, because I do not think that he needs any help from me. He is a pretty experienced and ingenious Member who is well able to use the resources of the Table Office to pursue his concerns; he has, of course, highlighted them. I just have this lingering suspicion, of which I hope he will cure me, that he is trying to continue the debate, but I am sure I am wrong.

Derek Twigg: On a point of order—

Mr Speaker: Not on the same matter.

Derek Twigg: On a point of order—

Mr Speaker: On a completely unrelated matter? No, well we will leave it there for today. If there are no further points of order, we come now to the ten- minute rule motion, and I call the right hon. Member for Lagan Valley (Mr Donaldson), who has been patiently waiting.

Devolved Administrations (Armed Forces Covenant Reports)

Motion for leave to bring in a Bill (Standing Order No.23)

1.36 pm

Mr Jeffrey M. Donaldson (Lagan Valley) (DUP): I beg to move,

That leave be given to bring in a Bill to impose a duty on the devolved administrations to report annually on the Military Covenant and the effects of membership, or former membership, of the armed forces on service people; and for connected purposes.

My party fully supports the principles of the military covenant, and we welcome the commitments given by the Government in the Armed Forces Bill that strengthen the legal standing of the covenant. We also acknowledge the recent reports prepared by the hon. Member for South West Wiltshire (Dr Murrison), who is in his place, including his recent report on the services available to military amputees. We commend him on his excellent work.

I recently attended an event in the constituency of my hon. Friend the Member for South Antrim (Dr McCrea) to recognise the contribution of the Irish Guards, who have recently returned from operational deployment in Afghanistan. Several amputee soldiers who had been seriously wounded during their time in Helmand province were there, and I was reminded of the importance of ensuring that these soldiers are properly cared for and looked after. They are, of course, based in England and have access to the highest standards of care, but one wonders whether the same level of care and treatment would be available to them if they lived in Northern Ireland.

Yet Northern Ireland provides a major contribution to our armed forces. In fact, more than 20% of the reserve forces regularly deployed on operations come from Northern Ireland, despite the fact that we make up 3% of the UK population. That is a remarkable achievement for the reserve forces in the Province. Sadly, some of those who are deployed are killed or sustain life-changing injuries, and it is important that these soldiers receive the care and support that they need, wherever they live in the United Kingdom and wherever they are based.

In respect of this Bill, I wish to acknowledge the excellent contribution made by service charities, including the Royal British Legion, Help for Heroes, Combat Stress, the Army Benevolent Fund—now known as The Soldiers Charity—and the regimental benevolent funds, whose work should not be forgotten. They very often provide help for soldiers who have been seriously injured on operational deployment. In Northern Ireland we are very proud of the giving by our people to such charities. Northern Ireland donates more per head to the poppy appeal than any other region of the United Kingdom.

We want to ensure that our soldiers receive the care and support that they need when they most need it, regardless of which region of the United Kingdom they are located in. That is why I am introducing the Bill today. We want to ensure that there is uniformity across the United Kingdom in the delivery of the objectives and principles in the military covenant.

For example, we have quite a high number of former service personnel in Northern Ireland suffering from post-traumatic stress disorder, because we had more than 30 years of conflict in which the Army was deployed on the longest operation in the history of the British Army, Operation Banner. Yet I talk to many of those veterans and they tell me that they are not receiving the level of support and care that they need. They contrast that with the level of care that is available in other parts of the United Kingdom. Clearly there is a deficit, and we want to see it addressed. How do we go about that?

Another issue for us in Northern Ireland is the fact that the Northern Ireland Executive are the only devolved Administration that do not participate in the covenant reference group. The Scottish Government are represented, the Welsh Assembly Government are represented, but not the Northern Ireland Executive, so again there is a lack of uniformity across the United Kingdom. Although of course we cannot interfere in the day-to-day workings of the devolved Administrations, nevertheless, as it is Parliament that is charged with oversight of the military covenant, Parliament should place a duty on all the devolved Administrations to report annually on what they are doing to fulfil their obligations under the military covenant. That reporting mechanism would enable Parliament to assess the extent to which there is a lack of uniformity across the United Kingdom in the level of care and support provided to both serving and former armed services personnel.

That is the main thrust of the Bill. We want to ensure that over time we achieve that uniformity and hold the devolved Administrations to account in fulfilling their commitments and obligations under the military covenant. It may be the case that upon receiving the annual reports from the devolved Administrations, we would want to debate those reports here in the House and consider the extent to which the devolved Administrations are fulfilling their obligations.

I recognise that in the Armed Forces Bill, as amended in the other place, the Government have made provision for the Secretary of State to prepare an annual report on the military covenant, and that the report should take account of the views of the devolved Administrations, but it does not place an obligation on the devolved Administrations to provide those views, and if the devolved Administration does not endorse its part of the report, that element of the report is not brought to the House. My Bill would take the devolved Administrations' obligation a step further and give them a duty to provide such a report. It is only right that we should do so, in the interests of the men and women who serve this country. That would strengthen the provisions of the Armed Forces Bill.

As I said, we are immensely proud of the contribution that the men and women of this country make in our armed forces. We know that these are difficult times and that there is pressure on public services, but we fully endorse the principles behind the military covenant that when our armed forces personnel place themselves in danger in the line of duty and sustain serious injuries, or when their families are left bereaved by the loss of a loved one, they receive the support that they undoubtedly deserve, in terms of adequate care and treatment. Therefore we do not believe it is unjust or unfair to place a duty on the devolved Administrations to provide an annual report to the House stating exactly what they are doing to implement the principles and objectives of the military covenant.

My remarks are not intended as a criticism of some of the excellent work already being undertaken by the devolved Administrations. I know that in Northern Ireland we have particular problems with the way in which our government system operates, but even there, very good work has taken forward key elements of the military covenant. We want that to go further. We want to ensure that wherever they live in the United Kingdom, whatever region of the United Kingdom they reside in or are based in, our armed forces personnel have access to the same level of care and support as they would have in other parts of the Kingdom.

I am grateful for the opportunity to present the Bill this afternoon. I trust that the House will give its support to the measure.

Question put and agreed to.

Ordered,

That Mr Jeffrey M. Donaldson, Mr Julian Brazier, Mr Gregory Campbell, Mr Nigel Dodds, Thomas Docherty, John Glen, Mr Dai Havard, Patrick Mercer, Mrs Madeleine Moon, Sandra Osborne, Jim Shannon and David Simpson present the Bill.

Mr Jeffrey M. Donaldson accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 20 January 2012, and to be printed (Bill 243).

Legal Aid, Sentencing and Punishment of Offenders Bill

[Relevant document: The Third Report from the Justice Committee, on the Government's proposed reform of legal aid, HC 681, and the Government's response thereto, Cm 8111.]

[3RD ALLOCATED DAY]

Further consideration of Bill, as amended in the Public Bill Committee

New Clause 4

STATUS OF DIRECTOR AND LORD CHANCELLOR

'(1) The Director is to carry out the functions of the office on behalf of the Crown.

(2) Service as the Director is service in the civil service of the State.

(3) The Lord Chancellor is to be treated as a corporation sole—

(a) for all purposes relating to the acquisition, holding, management and disposal of property and interests in property under this Part, and

(b) for all other purposes relating to the Lord Chancellor's functions in connection with legal aid and other functions under this Part.

(4) An instrument in connection with the acquisition, holding, management or disposal by the Lord Chancellor of property or an interest in property under this Part or for a purpose mentioned in subsection (3)(b) may be executed on the Lord Chancellor's behalf by a person authorised by the Lord Chancellor for that purpose.

(5) Any such instrument purporting to have been executed by the Lord Chancellor or on the Lord Chancellor's behalf is to be received in evidence and, unless the contrary is proved, to be treated as having been so executed.'.—*(Mr Djanogly.)*

Brought up, and read the First time.

1.47 pm

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

Government new clause 9—*Northern Ireland: information about financial resources.*

New clause 17—*Extension of scope of legal aid in complex cases*—

'(1) Civil legal services other than services described in Part 1 of Schedule 1 are to be available to an individual under this Part if subsection (2) is satisfied.

(2) This subsection is satisfied where the Director—

(a) has made a complex case determination in relation to the individual and the services, and

(b) has determined that the individual qualifies for the services in accordance with this Part,

(and has not withdrawn either determination).

(3) For the purposes of subsection (2), a complex case determination is a determination—

(a) that the individual has complex, interconnected needs in relation to which the individual requires comprehensive civil legal services, and

(b) not all of those civil legal services would otherwise be available to the individual because they do not all fall within the scope of Schedule 1.'.

New clause 43—*Funding for civil legal advice*—

'(1) The Lord Chancellor may make funding available for the promotion of civil legal advice on matters not included in Schedule 1, Part 1 where it appears to the Lord Chancellor that the provision of such services would be consistent with the purpose of the civil legal services provided for under that schedule.

(2) The Lord Chancellor may make arrangements by—

(a) entering into funding arrangements with other Government departments and public bodies to facilitate the provision of services,

(b) making arrangements to support the delivery of civil legal advice through the provision of grant in aid to providers of legal services, including any consortia or partnership arrangements into which providers of legal services may choose to enter, and

(c) any additional arrangements which the Lord Chancellor considers appropriate to ensure the provision of services as set out in subsection (1).

(3) In making any such arrangements the Lord Chancellor shall ensure that value for money is achieved.

(4) Welsh Ministers shall be consulted upon the funding and provision of civil legal advice in Wales.

(5) "Civil legal advice" means the types of services given in section 7(1) and includes advice and assistance which is usually given by any representative in the steps preliminary or incidental to proceedings and as to any appeal, mediation and other forms of dispute resolution, but does not include representation for the purposes of proceedings.'.

Government new schedule 3—*'Northern Ireland: information about financial resources.*

Amendment 162, in clause 1, page 2, line 7, at end insert—

'(c) funding for the promotion of civil legal services, not including representation, on matters not included in Schedule 1, Part 1 where it appears to the Lord Chancellor that the provision of such services would be consistent with the purpose of the civil legal services provided for under that schedule.'.

Amendment 123, in clause 4, page 3, line 25, leave out subsection (4) and insert—

'(4A) The Director must, except to the extent that section (4B) applies, act under the direction of the Lord Chancellor.

(4B) The Director must act independently when performing any functions or duties under this Part.'.

Amendment 116, page 8, line 29, leave out clause 12.

Amendment 104, in clause 12, page 8, line 31, leave out from 'station' to end of line 20 on page 9.

Amendment 125, page 8, line 35, leave out subsections (2) to (7).

Amendment 90, page 9, line 27, leave out subsection (9) and insert—

'(9) Sections 20 and 26(2) do not apply in relation to this section'.

Amendment 148, page 21, line 7, leave out clause 26.

Government amendments 1, 2 and 25 to 27.

Amendment 69, in schedule 4, page 130, line 36, at end insert—

'(3A) A transfer scheme shall make pension provision and compensation provision for and in respect of persons who become employed in the civil service of the State under paragraph 1 which is at least as favourable as the pension provision and compensation provision applicable to them immediately before they ceased to be employees of the Legal Services Commission.'.

Government amendment 64.

Amendment 71, page 131, line 9, at end insert—

"'compensation provision" means the provision of compensation under a compensation scheme;'.

Amendment 70, page 131, line 14, at end insert—

"'pension provision" means the provision of pension and other benefits under an occupational pension scheme;'.

Government amendments 65, 137, 66 to 68, 138, 19 and 54.

Mr Djanogly: We now move on, or perhaps I should say back to, legal aid. When we discussed legal aid on our first day on Report, we had two very constructive, albeit lengthy, debates in which I took more than three dozen interventions. That was partly the reason, along with the many valuable contributions that were made, why we were unable to cover all the groupings—*[Interruption.]* I know that that disappointed a number of hon. Members in all parts of the House.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Let us not start where we left off the other day. Let us see if we can make progress. We do not want to run out of time, and I am sure that those on both Front Benches want to make good time.

Mr Djanogly: I want to try to avoid delay today, so I shall speak to Government amendments now and respond to the points made in debate later, rather than pre-empting in my opening remarks what hon. Members may have to say about their amendments.

Government new clause 4, which is a technical amendment, has two purposes. First, it seeks to provide clarity about the role of the director of legal aid casework, by ensuring that the exercise of the functions of the office is on behalf of the Crown, and that service as the director is service in the civil service of the state. The second purpose of new clause 4 is to ensure that the Lord Chancellor is treated as a corporation sole for the purposes of part 1 of the Bill.

The new clause is necessary in order to clarify the position in relation to the Lord Chancellor's ability to hold an interest in land for those purposes, and so applies to charges that transfer from the Legal Services Commission to the Lord Chancellor at the point when the LSC is abolished, and for future charges to be taken over property under clause 24. The statutory charge is the charge that arises under clause 24 on any property recovered or preserved, including costs, by a legally aided person in respect of the amounts spent by the Lord Chancellor in securing their legal aid services and any other amounts payable by them under clauses 22 and 23. The amendment is essential, as the current value of charges held by the LSC is £212 million.

Government new clause 9 and new schedule 3 make provision on information sharing in relation to checking a person's financial eligibility for legal aid in Northern Ireland. They replicate for Northern Ireland the information gateway for England and Wales created by clause 21 and further provided for in clause 32. Government amendments 26 and 27 are technical amendments that make it clear that regulations made under new schedule 3 will be prescribed not by the Lord Chancellor but by the Northern Ireland Assembly. Government amendment 54 is also a technical amendment that makes it clear that the Bill extends to Northern Ireland for the purposes of new clause 9 and new schedule 3, which create the information gateway, and for the purposes of clauses 38 to 40. I should point out that under paragraph 2(4) of new schedule 3, it will be a criminal offence to use or disclose information contrary to the provisions of paragraph 2.

Government amendments 25 and 64 to 68 relate to the transfer of LSC employees to the civil service when the LSC is abolished. The powers currently set out in the Bill include a power, in schedule 4, for the Lord Chancellor to make transfer schemes to transfer to the Lord Chancellor or the Secretary of State the LSC's rights, powers, duties and liabilities under or in connection with an LSC occupational pension scheme, of which there are currently two, or compensation scheme. The occupational pension and compensation scheme arrangements for LSC employees are different from those for existing civil servants. When the employees transfer to the civil service and become civil servants, they will join the principal civil service pension scheme.

Amendment 64 confers new powers upon the Lord Chancellor that can be exercised as part of any transfer scheme. Proposed new sub-paragraph (6A), set out in amendment 64, allows for the Lord Chancellor to apply legislation with modifications as far as it is necessary to give effect to any transfer scheme. That is appropriate when transfer schemes are of an administrative nature relating to the specific issues in question. For example, it will allow the Lord Chancellor to provide that an aspect of pensions legislation applies in a particular way to that particular scheme. It will assist, as appropriate, in enabling the continuation of the LSC pension scheme or schemes after the abolition of the LSC so that they can continue for the benefit of their pensioner and preserved members. Those are members who have contributed to the schemes before leaving LSC employment and either draw a pension from the scheme or will be entitled to do so in future.

For compensation scheme arrangements, as well as allowing the modification of legislation, proposed new sub-paragraph (6B), set out in amendment 64, provides that the transfer scheme may amend or otherwise modify the existing LSC compensation scheme. That will allow compensation arrangements for LSC employees transferring to the civil service to be brought into line with those of other civil servants over a transitional period.

Amendment 65 reflects the fact that when LSC employees transfer to the civil service there will no longer be any active members of the two current LSC occupational pension schemes, known as the No. 3 and No. 4 pension schemes. The amendment provides the Lord Chancellor with the power to make a scheme to merge the two residual pension schemes. It is explicit that a scheme exercising this power must not result in members of the pension schemes, or other beneficiaries under the schemes, being deprived of any rights accrued prior to the merger.

The LSC's No. 3 pension scheme has fewer than 100 pensioner and preserved members, and no current LSC staff members. The No. 4 scheme is for current staff and also has a number of pensioner and preserved members. At present there is much duplication in the administration of the No. 3 and No. 4 schemes, such as producing two sets of accounts and actuarial valuations. Merging the schemes would allow us to cut significantly

[Mr Djanogly]

the administration costs of running two trust-based schemes. The amendment will also give the power to wind up an LSC occupational pension scheme.

Amendment 25 corrects a slip in clause 38(7)(j). The intention was not to make regulations that contain free-standing provision that modifies an Act either directly or indirectly, subject to the affirmative procedure. Amendments 66 to 68 clarify the fact that the regulation-making power provided to the Lord Chancellor under paragraph 10 of schedule 4 can be used in connection not only with transfers affected by schedule 4, but with schemes under schedule 4, meaning schemes dealing with something other than a transfer.

Government amendments 137 and 138 concern schedule 4 to the Bill, which governs transfers of employees and assets following the abolition of the LSC. They are purely technical amendments that simplify existing provisions. Paragraph 10(1) of schedule 4 currently allows the Lord Chancellor to make consequential supplementary, incidental or transitional provision by regulation, and paragraph 10(2)(b) specifies separately that such regulations may include transitory or savings provision. Rather than continue to separate these related provisions, for the purposes of simplification amendment 137 brings them together in a revised paragraph 10(1) and amendment 138 amends paragraph 10(2) to reflect that simplification. That mirrors an identical amendment to clause 115.

Finally, Government amendments 1, 2 and 19 are minor and technical amendments to clause 32 and schedule 5, consequential on the removal in Committee of what was then clause 71.

Mr Andy Slaughter (Hammersmith) (Lab): If the Minister was sincere when he said in his opening remarks that we will make good progress and deal with as many of the groups of amendments as we can today, I applaud him for it, but it is a challenging task. There has been a statement so we have barely four hours left to debate huge chunks of the Bill, which is impractical. It will no doubt be assisted by the fact that, with the exception of the Minister's Parliamentary Private Secretary, who has just appeared, there is not a single Conservative Back Bencher here. *[Interruption.]* I apologise to the hon. Member for Hendon (Mr Offord); I thought he was a Liberal Democrat. I withdraw that slur on his character immediately.

There is a serious point. We had a disgraceful situation in the House on Monday when the Minister called in Conservative Back Benchers, one by one, to speak on domestic violence and clinical negligence, particularly as they affect the most severe injuries and brain-damaged children, and to waste time. By wasting time and then voting against amendments that would deal with those issues, the Government prevented us from moving on to a substantive discussion on legal aid. I will not dwell on that point, because I wanted to move on, but I hope that in discussing these amendments, of which there are a broad range, we will be able to do justice to that important subject.

I will speak principally to amendment 123, which stands in my name. I will get my contributions out of the way in one go by speaking to new clause 17, tabled by my hon. Friend the Member for Makerfield (Yvonne Fovargue), amendment 148, tabled by Liberal Democrat Members, who for some reason rejected a similar amendment I tabled, and new clause 43, tabled by the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards), which is a very good one. I will say at the outset that we support all those amendments. I will not deal with amendment 116, which stands in my name, because my hon. Friend the Member for Darlington (Mrs Chapman) will make a contribution on that later. For the avoidance of doubt, I will say at the outset that the Opposition will press amendment 116 to a vote, and other hon. Members may wish to press their amendments to a vote.

Amendment 123 deals with a fairly straightforward point, but an important one, which is in no way party political. The independence of the new director has raised considerable alarm and concern across the professions and the voluntary sector, and indeed with anyone who deals regularly with legal aid. We attempted many times in Committee, with a variety of amendments, to try to push at this and get the Government to give a little. We asked for an appeals process, a vetting process before appointment, which would give some independence, and for assurances in relation to the civil service, which will be working in this area. Every amendment, as was the case throughout the Committee's proceedings, was rejected. I hope—this is the case in other common law jurisdictions which have moved to a similar system—that the Minister is listening to these proposals. This is not an issue that divides the parties on the abolition of the Legal Services Commission, but it is an issue that strongly divides the parties on the adverse influence, be it perceived or real, that the Government will bring to bear on to the director post once it is firmly ensconced within the Department.

There is a trend in this Bill towards Government control and authoritarianism, and we will see it when we debate clause 12, whereby the same director of legal aid will get the power to decide whether legal aid is granted to those in extremis—in the worst circumstances—when they have been arrested. We also see the trend in relation to the constraints on the powers of the judiciary, and, although I doubt that we will get time to debate remand today, I note that the Government wish severely to tie the hands of magistrates and judges in relation to whom they can remand in custody. All the time, these measures restrict either citizens' rights or the rights of independent parties, whether they be the director or the judiciary, to make decisions.

2 pm

I heard quite a chilling statement from the Ministry on the radio this morning. I do not know whether other hon. Members heard the compelling interview with Christopher Jefferies on the "Today" programme, which I will not dwell on, because we hope to have time to debate no win, no fee later this afternoon. At the end of the interview no one from the Ministry of Justice—not the Minister, not anyone else—was prepared to come forward. There was simply a statement to this effect: "We believe that deserving cases will still be able to be brought by no win, no fee, but not cases which are too costly or undeserving."

Mr Djanogly: We are talking about legal aid.

Mr Slaughter: The presenter made a mistake—I hope the Minister is not making the same one—in relation to talking about legal aid, as presenters often do, but I assure the House that Mr Jefferies was clearly talking about conditional fee agreements and no win, no fee. The answer is—

Mr Djanogly: Yes, but we are talking about legal aid.

Mr Slaughter: I know the Minister does not want to hear this, but in relation to the director the point is that the Government wish to decide who has merit and who does not. That is the charge that the Government have to answer, and in this case they will do so only by ensuring the independence of the director.

Let me move on, because we are in the midst of a radical reform of the social welfare system. The Secretary of State for Work and Pensions has embarked on restructuring the way benefits are assessed, calculated and provided, local authorities have had budgets radically reduced, and a housing benefit cap is being introduced. In short, the benefits system is in a period of turmoil, and as a consequence the system of checks and balances on state decision making through the first-tier tribunals is also significantly under pressure, such that more staff are being taken on daily to deal with a growing number of appeals against decisions taken by Jobcentre Plus.

When in October last year the coalition produced its Green Paper on the reform of legal aid in England and Wales, we were shocked to see that there were cuts of £450 million, as defined in the latest impact assessment, and that they overwhelmingly came from civil legal aid. Things such as education, employment, welfare benefits, debt, housing matters and clinical negligence were taken out of scope, either in their entirety, as in the case of employment, welfare benefits and clinical negligence, or substantially, as in the case of debt, housing and education.

Means-testing will also change. The Government have proposed the abolition of capital passporting, by which those receiving certain income-based benefits are automatically eligible for legal aid, and the introduction of a new minimum capital contribution, a personal financial contribution towards legal costs.

The philosophy behind the cuts is explained in the Government's impact assessment, in which they state:

"Legal aid may be regarded as a redistributive transfer of resources from taxpayers to those who are most needy, in relation to both the nature and merits of their case and also to their financial position... The Government may consider intervening if there are strong enough failures in the way markets operate...or if there are strong enough failures in existing government interventions".

The amendments under discussion simply seek to address the Government's failure to abide by those principles as set down in their own impact assessment. We are in a period of great need and of great changes to the system, and many meritorious cases are being referred to tribunal. By definition, the financial position of those requiring help with welfare benefits, employment law, debt and housing is necessarily the most precarious of any in society, and £70 a week is often all that stands between some of my constituents and utter destitution. They are in a desperate place.

Let me give the House one example, in relation to eligibility for disability living allowance. There are so many problems with the private contractor Atos that many seriously ill people are being judged fit for work. I leave aside operational issues, such as the fact that, according to its own website, 20% of Atos's 141 medical assessment centres do not have wheelchair access, because, according to a newspaper report, one third of those refused DLA by Atos have appealed to the first-tier tribunals, and 39% of decisions have been overturned. Furthermore, the report states:

"The tribunals service...has had to double its capacity in the social security section to deal with the large number of appeals, recruiting an extra 170 paid medical panel members."

In a letter to *The Guardian*, leading mental health charities and a senior consultant from the Royal College of Psychiatrists say:

"We've found that the prospect of incapacity benefit reassessment is causing huge amounts of distress and tragically there have already been cases where people have taken their own life following problems with changes to their benefits."

These are not just economic issues; they profoundly affect the most vulnerable individuals.

The Government's proposals will seriously damage access to justice for the most vulnerable in society, and their own impact assessment shows that there will be a disproportionate impact on women. Similarly, there is the potential for the cuts to impact disproportionately on black and ethnic minority clients and on those with disabilities.

That is something the Minister himself acknowledges. When it was put to him that groups with protected characteristics would be affected, he dismissed it, as only a Conservative Minister can, although the Liberal Democrats are getting there, by saying, "Well, that's because they are disproportionately represented among the most vulnerable." That is the logic of the Government's case—"Because vulnerable people get legal aid, and we are cutting it, what do you expect to happen?" Those principles show an absolute absence of moral guidance.

Sir Alan Beith (Berwick-upon-Tweed) (LD): I understand the hon. Gentleman's argument, but is he proposing cuts in other areas of legal aid in order to maintain his objective of cutting the overall cost while putting legal aid back in place in those fields?

Mr Slaughter: I was going to deal with that at the end of my remarks, but let me do so now. I am grateful to the right hon. Gentleman for giving me the opportunity to do so, because two days ago the Minister said, "Oh, the Labour party wants to reinstate £245 million of cuts." On the same day, however, he put out a press release saying that the Labour party wanted to reinstate £64 million of cuts, and I have grown tired of responding to him. He has heard my response from this Dispatch Box, in Westminster Hall and in Committee time and again, and it is simply this: we would not have made at present the cuts to social welfare legal aid.

The Minister quantifies those cuts as £64 million, but why did he not proceed with the final parts of Lord Carter's review and go through the criminal tendering exercise, which was in place and ready to go when the Government took office last year, and which included savings that might have raised twice that sum? I anticipate the figures changing. The figures on savings have changed from £350 million to £450 million within two impact assessments, but, without being more precise than that, we believe that if the Government looked for efficiencies in the criminal legal aid system, first they would save

[Mr Slaughter]

more money than they are by cutting social welfare legal aid, and secondly there would not be the same social or financial consequences.

The Green Paper talks frequently about the possibility of self-representation as a reason for withdrawing legal aid provision, but data provided in answer to a written parliamentary question indicate that there are considerable differences in success rates between those with and those without representation. Owing to a lack of representation, 51,223 meritorious cases that were successful in 2010 at the first-tier tribunals, many of which involved applicants for DLA, incapacity benefit, jobseeker's allowance and so forth, would not have been successful if the proposed cuts had been in place. The changes will close or severely reduce the operation of law centres, citizens advice bureaux and hundreds of independent advice centres, and limiting the scope of issues which legal aid-funded advisers can help with means that they will not be able to solve people's problems fully.

New clause 17, in the name of my hon. Friend the Member for Makerfield, addresses precisely that issue. At the end of Monday's debate, I gave the example of the Wiltshire law centre in the constituency of the hon. Member for South Swindon (Mr Buckland). That will lose 90% of its funding, and that is not untypical of the cuts being made. In most cases they are above 80%.

The specific issue that is dealt with my hon. Friend's new clause is the interconnectivity of people's problems. We are all too familiar, as constituency MPs, with the individual who comes in with two plastic bags full of paper and is unable to convey the scale of their distress, let alone the complexity of their problems, which may include unpaid debts, threats of eviction, underlying mental health problems and the inability to access the welfare benefit system. Sometimes we can help, and I pay tribute, as I am sure all hon. Members do, to the constituency staff who have developed phenomenal skills at unpicking these issues and dealing sympathetically with them. In many cases, however, legal expert help is needed, but that help will now be severely compromised. If one is allowed to deal only with the threat of eviction but not with the underlying issues of accessing benefits and dependency on debt, one is working with one hand tied behind one's back.

The exceptions to the withdrawal of legal aid in certain cases, such as when an applicant for legal aid is at risk of homelessness, are nonsensical distinctions. People who come for aid early on, while they still have manageable rent arrears, can see their case deteriorate rapidly and drastically. The legal aid that would help exactly those people has been withdrawn, and that is Shelter's No. 1 priority for what should be restored. Let me add, at this point, that we support the hon. Member for Carmarthen East and Dinefwr in his wish to undo what is a calumny in the Bill—measures allowing the Secretary of State by order further to restrict what is in scope for legal aid, but not to expand it. I do not know whether the hon. Gentleman is going to press his amendment to a vote tonight but I hope that, if he has an opportunity to speak, the Minister will give an indication that that glaring error in the Bill will be corrected.

The cost of dealing with a single case of homelessness has been estimated at £50,000 by Shelter. Early intervention is an extremely efficient and cost-effective way of preventing cases from becoming more complex, difficult to resolve and commensurately expensive. The legal aid Green Paper suggests a shift to telephone advisory services, and this brings us to amendment 148. Although these methods are an efficient and often effective means of delivering certain types of advice, clients presenting with complex or chronic problems gain far better outcomes from face-to-face advice.

Research by the Legal Action Group has highlighted the issues faced by the most vulnerable in utilising telephone advisory services. It found that full-time employees were the most likely to access an advice service through the telephone line or the internet, at 43%, whereas people in the lowest social class, DE, were least likely to access advice through an advice line or the internet, at 26%. This class of people was also the most likely to experience a social welfare law problem. The Minister's own impact assessment says that the bottom 20%, in terms of income, will represent 80% of those who suffer from the withdrawal of these services. Overall, people of social class DE are twice as likely as people in all other social classes to experience problems with debts or benefits.

Issues facing the most vulnerable people include language, comprehension and somewhat more prosaic economic issues such as the expense of calling an 0845 number from a pay-as-you-go mobile when trying to get advice upon being rejected for jobseeker's allowance. Citizens Advice has noticed a dramatic rise in the volume of cases and the number of people seeking advice in this recession. Advice has been focused on debt, housing, employment and difficulty accessing the benefit system. For example, between April 2008 and 2009, CABs in England and Wales saw daily inquiries relating to redundancy increase by 125%. Local authority cuts combined with the cuts in the Ministry of Justice have inflicted a double whammy on law centres, CABs and third sector organisations. Many organisations that are staffed by a mixture of volunteers and modestly paid staff will be forced to close or reduce staff and service breadth, depth and reach. Indeed, that is already happening.

We agree that the legal aid budget needs to be contained, as I have already said in response to the intervention of the Chair of the Justice Committee, the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith), and that ways of making savings need to be found. When we were in power we did not shy away from taking those decisions and containing the budget. We had begun and were continuing to implement the recommendations of Lord Carter of Coles and we believe that those outstanding recommendations should have been implemented by this Government. Frankly, we are at a loss to understand why the Government have not looked at the scope of criminal legal aid or at how it is delivered in this country, preferring instead to target the poorest and most vulnerable. I accept that those changes would not have been popular with all the legal sector but they would have delivered substantial savings, which would have been greater than the total cuts to social welfare legal aid we have discussed this week. Let me pay tribute to my colleague the noble Lord Bach who, as Minister with responsibility for legal aid, took exactly that line. He was prepared to be very tough on his own profession but he always protected social welfare legal aid.

2.15 pm

We oppose the cuts because they affect the most vulnerable in society and run the risk of decimating the social welfare and legal advice community. Even at this stage, I urge the Government to rethink their plans. If they will not, I shall ask again, and I am pleased to see that hon. Members from all parties, save the Conservative party, have tabled amendments on this matter for debate today. I hope—I say this in the spirit of wanting to protect those of our constituents who are most vulnerable and most reliant and who need access to justice more than ever today—that those amendments will be pressed to a vote by hon. Members, particularly those on the Liberal Democrat Benches, and that they will see fit to support our amendments when we push them forward.

Mike Crockart (Edinburgh West) (LD): In the interests of brevity I shall speak only to amendment 116 to which I have added my name. It has been more than 30 years since the National Consumer Council referred to access to advice as the fourth right of citizenship. It was ahead of its time in predicting the coming of an information age in which people's ability to live full lives as responsible citizens would depend on access to organised, specialist information in order to navigate complex consumer choices, labour markets and state bureaucracy and law. In no area could that be more important than in relation to legal advice in a police station, where the presence of a lawyer acting for a defendant is crucial, although I might not have thought that between 1990 and 1998 when I was a serving police officer in Edinburgh. Solicitors are there to ensure that suspects' rights are respected, that they are not physically abused, that their confessions are not forged and that they are not detained for longer than is legally allowed. The presence of a lawyer not only protects defendants from police abuse but protects the police from false allegations by defendants about what happened during an interrogation, for example.

Clause 12 provides the Secretary of State with the flexibility to subject legal aid in police stations to a system of means-testing. The Ministry of Justice has made it clear that such proposals would be modelled on the system currently operating in Scotland, where people who earn more than a certain amount—in Scotland, a weekly disposable income of £105—have to pay a contribution towards the cost of their legal aid. The current system of police station advice in Scotland is only a year old, but the Law Society of Scotland has already stated that it is complex process to operate and to explain to clients, many of whom are in a vulnerable situation.

The experience north of the border also shows that the provision of adequate verification undoubtedly lengthens the suspect's time in a police station and that the solicitor often has no evidential proof that the client is eligible or of what their contribution should be. Solicitors also find that the prospects of claiming the contribution from the client are limited when the detention ends without criminal charges. Consequently, in Scotland in the past year, uptake of advice in police stations has fallen to around 25% of cases—roughly half that in England and Wales.

The Minister will also know that the Scottish situation has been somewhat complicated recently by the judgment in the Cadder case. Previously, when I was a serving officer, suspects could be detained without charge for up to six hours and questioned without the presence of a solicitor. Following that case in the Supreme Court last year, the Lord Advocate issued guidelines, and emergency legislation has since been enacted, to provide suspects who are detained by the police with the right to "a private consultation with a solicitor". That can be either before questioning or at any stage during questioning. Moreover, experience has shown that it is often more expensive to administer means-testing than to operate it. Cutting out legal aid in police stations will lead to false economy, not least because the courts will be clogged up with unmeritorious or unprepared cases, or proceedings without a solicitor present will be open to legal challenge.

Early advice in a police station may save many social and economic costs, most of which must be picked up by other public services. Moreover, who will ask what someone's earnings are, or how much their mortgage is? Those questions will have to be asked in extremely stressful situations. Will the Minister explain how the proposals will work without the whole process becoming extremely unwieldy?

Furthermore, will the Minister explain why such a provision is in the Bill when I and colleagues received assurances that there was no intention of the clause ever coming into effect? If the Government have no intention of using the power, why leave it in the Bill? The Minister has effectively asked us to sign a blank cheque, but assured us that he will never have to cash it. Much as I trust the Minister, that is no way to propose or to implement new legislation, because it leaves pointless regulation in statute, which because of assurances from Ministers might never have been properly scrutinised. That is a bad precedent, and a dangerous one, which should not allowed to continue.

Yvonne Fovargue (Makerfield) (Lab): I rise to speak to new clause 17, tabled in my name. It is well known that many problems in social welfare law are interconnected and that clients invariably approach agencies with clusters of problems, which is why the social welfare law cluster of housing, benefit, debt and employment was introduced in the first place. As my hon. Friend the Member for Hammersmith (Mr Slaughter) said, all MPs have seen constituents who arrive with carrier bags of unopened mail from various agencies. It is impossible to deal with one issue—for example, electricity disconnection—without dealing with problems such as tax credit underpayment and illegal deduction of wages. It is the natural state of affairs that one problem leads to another, and the merit of not-for-profit agencies dealing with that cluster is the availability of specialisms in a one-stop shop, and the ability to drill down to the root cause of the issue, which may be wrongful refusal of benefits or unfair dismissal leading to debt issues and potential homelessness.

My new clause would allow agencies to deal with all the issues. They would not have to take a piecemeal approach, but could make difficult decisions on which issues are legally aidable and which are not, so that the individual would not be left to struggle with the complex non-legally aidable issues alone.

Make no mistake; the issues that the Government wish to remove from scope are complex. The welfare benefits that the Government wish to remove from scope completely have 20 volumes of guidance, thousands of pages of case law, and thousands of statutory

[Yvonne Fovargue]

instruments, clauses and schedules. The Child Poverty Action Group's handbook on welfare benefits and tax credits alone has 1,600 pages. In 2010, the Department for Work and Pensions issued 8,690 pages of advice to decision makers. That advice is not specialist. Can people rely on help from Jobcentre Plus or the Benefits Agency, the agencies that turned down their original claim? I do not think so.

The Bill is being enacted at precisely the same time as the introduction of universal credit, which will affect 19 million individual claimants and 8 million households. I remember the change from supplementary benefit to income support. The number of people who needed advice rocketed, and many important cases were appealed by advice agencies, which had far-reaching consequences for many people, not just individual claimants. That is being denied in the Bill.

In 2010, under the current system, there were 160,000 appeals, more than half of which were decided in favour of the claimant. To remove support from individuals who have been wrongly and unlawfully denied their benefit—in more than half of cases that was indeed the decision—and to deal with the rent arrears caused by that denial of benefit at the point of eviction, is perverse in the extreme.

Early intervention and an holistic approach save money. Even the Minister admitted that early advice may reduce costs further down the road, but he chose to save £1 now at the cost, according to research from the National Association of Citizens Advice Bureaux, of £8.80 for every benefit case, £7.13 for every employment case, £2.98 for every debt case and £2.34 for every housing case. This is blinkered short-termism at its most extreme.

I would like to give a couple of examples of linked problems where dealing with just the issue that remains in scope will be counter-productive. A client had multiple priority and non-priority debts, including rent arrears, and was facing the threat of possession proceedings. She had prioritised credit card repayments due to pressure applied by her bank and debt collection agencies, and had fallen behind with her rent. She suffered mental health problems, and her teenage daughter was becoming ill because of the stress facing her mother. She was working and studying to improve her situation, but had lost benefits and was appealing that, with help. Under the Government's proposals, there would be no help with that appeal. The only help available would be to deal with the immediate repossession issue. The credit card and other debts would not be dealt with and I surmise that it is extremely likely that that client would return in exactly the same position, or worse, at a later date.

A constituent had been dismissed from employment and was being assisted with an unfair dismissal claim. Stress was making them ill and unable to work, and there was also an appeal against benefit sanctions for leaving their job. Owing to the lack of income, the bills were mounting up and mortgage arrears were accruing. Under the new proposals the client would have to wait until they were in imminent danger of losing their home, and that would be the only issue within the scope of the scheme. If ever there were examples of false economy, surely those are such.

The most vulnerable will bear the brunt of the cuts. The Legal Services Commission's figures show that 62% of those affected by removal of welfare benefits from scope will be those with disabilities. Indeed, there is concern about whether agencies will be able to provide advice even to those fortunate individuals who still qualify for legal aid. The cuts to social welfare law disproportionately affect not-for-profit advice agencies with 77% of the funding withdrawn going from those agencies. Some 54% of citizens advice bureaux and more than 70% of law centres believe that they will not exist after 2013 if this Bill becomes law. There is no clear plan or strategy for the sector, just death by a thousand cuts.

Wigan metropolitan borough council currently has 3,080 cases funded by legal aid, but 2,342 will go out of scope if the Bill is enacted. At a rough estimate of 300 cases per caseworker, resources will drop from 10 specialists to help my constituents to 2. Their ability to deal with even the severely curtailed legal aid cases will be massively impacted, let alone their ability to deal with linked issues. Will the Minister say what cross-Departmental plans are in place to deal with the destabilisation of the not-for-profit advice sector, and how will linked issues, which are often the root cause of an immediate threat of eviction, be dealt with in future?

I want to address briefly the issue of whether those who qualify will be able to navigate the system and reach the help they need and not fall at the first barrier—the telephone gateway. In the all-too-inadequate time allowed in Committee, when the agencies presented their evidence, they all stated that the telephone gateway will be yet another barrier and will deny some clients access to the services they need. Indeed, Steve Hynes, director of the Legal Action Group, commented on research by that group—my hon. Friend the Member for Hammersmith referred to it. He said:

"if you want a legal system that people do not use, deliver it through telephone advice because the people who pass the means test tend to be the ones who do not have telephones"

In my experience, individuals with a number of problems often cannot focus on the most serious issue for many reasons. It often takes a considerable amount of time and experience to untangle the knotted ball of problems into single strands, and then to decide which is the most immediate and serious. For example, I saw a client who was most upset because, for the first time, she could not pay Provident. She was really upset that when it came to collecting the debt, her neighbour would know that she had problems and could not pay. Eventually, she let me examine all the other documents that she had, and it was apparent that she had been paying the company at the expense of her rent and was in danger of eviction. To tease that information out over the telephone without sight of the documents that she eventually handed over would be almost impossible, and I believe that that client would have been told her issue was not legally aidable and sent away still prioritising the wrong debt and facing eviction.

2.30 pm

I urge the Government at least to pilot the telephone gateway and to listen to the concerns of the advice providers, who are, after all, the experts in the field. In fact, in the rather protracted debate on Monday, which did not allow us to reach the removal from scope of the

majority of social welfare law, the Government were at pains to assure us that they were listening and had listened to all the respondents to the consultation, which had one of the largest numbers of respondents that we have ever seen—over 3,000. In that case, why were the 93% of agencies and individuals who responded, disagreeing with the Government's proposals to remove these areas from scope, not heeded? They certainly do not feel their views were valued or that any coherent and valid response was received, apart from on short-term money saving, which, as has been pointed out, will lead to many increased costs later on.

The new clause would at least mitigate the untenable situation of agencies being funded to deal with only one issue when they know that the root cause of the problem still remains, and it would put them back, in some small way, to being able to deal with the individual as an individual with a group of issues and problems, thus preventing the inevitable recurrence. I urge hon. Members to support the new clause.

Tom Brake (Carshalton and Wallington) (LD): I rise to speak principally about new clause 17, which was tabled by the hon. Member for Makerfield (Yvonne Fovargue).

Before I do so, I should like to comment on amendment 116. My hon. Friend the Member for Edinburgh West (Mike Crockart) made a cogent case for deleting clause 12. The Minister rightly said in Committee that

"the practicalities are the greatest stumbling block, and the costs could be significant."—[*Official Report, Legal Aid, Sentencing and Punishment of Offenders Public Bill Committee,* 8 September 2011; c. 437.]

My hon. Friend underlined that that had been the experience in Scotland. It is therefore clear what the Government's response should be. For the sake of clarity and succinctness, the Bill could appropriately lose clause 12.

Karl Turner (Kingston upon Hull East) (Lab): I think I am right in saying that the right hon. Gentleman is speaking to an amendment that would effectively get rid of the idea of means-testing in police stations. I agree that this is an issue of great concern to Members in all parts of the House. I am surprised, however, that when he sat on the Bill Committee he did absolutely nothing about it when he could have supported my amendment or that of the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd).

Tom Brake: I thank the hon. Gentleman for his intervention. I am not sure whether he is saying that I should not be raising the point now, but that is what I am doing.

Karl Turner *rose—*

Tom Brake: I am not going to give way. The point has been raised, it is on the record. I am sure that the Minister will have heard it. My right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes) will speak about this in relation to amendment 148, and I am sure that he will echo the concerns raised by the hon. Member for Makerfield about the telephone gateway.

Lyn Brown (West Ham) (Lab): The right hon. Gentleman will know that the Law Society, the Bar Council, the Family Law Bar Association and the Lord Chief Justice have all indicated that the changes made by the Government in this Bill will curtail access to the legal system but that the projected savings will not be obtained. Given that the right hon. Gentleman sat on the Bill Committee, perhaps he can tell me why all those organisations are wrong but the Government and the Bill he supports are correct.

Tom Brake: In a situation where funding is going to be withdrawn from organisations, it is not surprising that their response is that they do not favour it. The Government need to monitor very carefully some of the concerns that have been raised about the impact of withdrawing legal aid, and we have already had assurances that that will be the case.

Elizabeth Truss (South West Norfolk) (Con): Will my right hon. Friend give way?

Tom Brake: I will give way one last time and then move on to new clause 17.

Elizabeth Truss: Does my right hon. Friend agree that some of those organisations have an interest in pushing up the legal aid bill because they are its main recipients?

Tom Brake: The hon. Lady makes a point that is worth considering. Clearly, certain organisations are financial beneficiaries of some of the funding, but I do not want to throw out all the concerns that have been raised because, equally, there are legitimate concerns that the Government need to monitor very carefully.

I turn to new clause 17. I had hoped that during the debate on Monday we would reach the group of amendments on social welfare in which my amendment 149 on complex welfare benefits was listed. Also in the group was amendment 131, which sought to ensure that advice on housing repossessions was available sooner. I regret that we did not reach that group, as, I am sure, does my hon. Friend the Member for Eastbourne (Stephen Lloyd), who is chairman of the all-party group on Citizens Advice. However, new clause 17 touches on many aspects of what was included in amendment 149. I welcome the fact that the hon. Member for Makerfield has put the matter up for debate today because it provides an opportunity to discuss some of the points that would have been raised on amendment 149. Her definition in trying to ensure that legal aid is extended to complex cases is

"that the individual has complex, interconnected needs"

and that

"not all of those...legal services would otherwise be available to the individual".

It is reasonable to speculate that many, or most, individuals with complex and interconnected needs will also have welfare benefit issues that will often also be complex. Under the Government's proposals, welfare benefit cases, complex or otherwise, are excluded from the scope of legal aid.

I acknowledge that the scope of the hon. Lady's new clause is slightly different from what was proposed in amendment 149. However, if it had been restricted to individuals with complex and interconnected needs who

[Tom Brake]

require legal help with complex welfare benefit issues, I suspect that we would have been discussing exactly the same area of legal aid, because virtually every individual who has a benefit advice problem involving issues of legal complexity, significant evidential hurdles or daunting adjudication processes will have complex and interconnected needs. According to Citizens Advice, that more targeted approach would help to achieve a compromise position whereby more complex cases can be covered by the legal help system. When we asked Citizens Advice what it would identify as a single priority as regards what the Government should change, that is what it proposed.

Citizens Advice has calculated the cost impact of its proposal. It says that the current welfare benefits advice spend is £25 million on just under 140,000 cases, and that restricting it to complex welfare benefit cases covering only reviews and appeals, which applies to two thirds of the current welfare benefit cases, would cost £16.5 million and help around 100,000 people. The cost could fall further if, as the Government and all hon. Members intend in practice, decision making first time round is improved and becomes much more effective. The CAB calculation is that if we were to improve first-time decision making by 30%, the costs of that provision could fall to £12 million.

Sir Alan Beith: Is it not absurd that the Government should be scrabbling around for money to meet the costs of bad decision making and bad communication between Departments and those who are affected by their decisions? Ought not the Government's priority be to ensure that those Departments change those processes, which they are more likely to do if they have an incentive, which is provided by the fact that their budget will meet some of the costs if they do not do so?

Tom Brake: There has not been much consensus in the Chamber, but I suspect that there is broad agreement on that point.

Mr Slaughter: The right hon. Gentleman is absolutely right. The Liberty briefing paper states that the

"Community Links advice service records that...73% of the benefits related cases handled by their staff arose as a result of errors on the part of the Department of Work and Pensions."

The Opposition agree with him, but we are where we are, and particularly at this time of change, we need certainty that those people will be properly represented. I think he said that he would not support new clause 17, but will he support amendment 116 and, later, the new clause in his name or the new clause relating to the Dowlers, which is in the name of my hon. Friend the Member for Rhondda (Chris Bryant)? He has given assurances outside the House and said that he supports those positions, but he now seems to be resiling from them. Will he and his hon. Friends support those measures? Will he answer that question now?

Tom Brake: I thank the hon. Gentleman for his intervention, which is in the tradition of his speeches—lengthy. He should perhaps have waited until I had finished my comments before jumping to any conclusions.

Karl Turner: Will you be supporting it?

Tom Brake: We have rightly highlighted issues such as criminal negligence in earlier debates, and this afternoon we will focus on libel and slander cases that affect a relatively small number of people.

Karl Turner: Give us a clue Tom!

Mr Deputy Speaker (Mr Nigel Evans): Order.

Tom Brake: As I stated earlier, the simple change in new clause 12 affects a very large number of people—up to 100,000. As I mentioned in the debate yesterday, it is incumbent on Members who propose alternatives that mean the Government will spend more when they are trying to address a very large deficit to identify where funding for such proposals would come from. I hope we have an opportunity to debate amendment 144 this afternoon, because that would more than adequately cover the expenditure that the amendments would necessitate.

Alison Seabeck (Plymouth, Moor View) (Lab): The right hon. Gentleman talks about the need for Government Departments to look at how they interconnect. From my constituency case load experience, a significant number of those 100,000 people are likely to develop mental health problems as a result of the predicament in which they find themselves. Surely money invested in provision for them would save the Department of Health quite considerable moneys. Is he confident that coalition Front Benchers have been talking to each other to do that sort of cost-benefit analysis?

Tom Brake: The hon. Lady's intervention is a fair one. I have raised the knock-on impact on other Departments directly with the Minister. I have received assurances that, for instance, the Department of Health has analysed the impact and does not see significant knock-on costs. That is the assurance that I have been given.

I conclude by urging the Minister to make a clear statement that the Government believe that the issue of complex welfare benefits is still up for negotiation, and that they will make progress on it in the Lords. If he cannot give such an assurance, and if the hon. Member for Makerfield presses new clause 17 to a Division, it is with regret that I would feel obliged to support it. I await the Minister's response with interest.

2.45 pm

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): I have never been a tribal politician, and I understand the dynamics of the House, but I am very disappointed that the hon. Member for Edinburgh West (Mike Crockart) and his colleague, the right hon. Member for Carshalton and Wallington (Tom Brake), had nothing to say on this issue in Committee. Worse still, an amendment that would have dealt with clause 12 was pressed to a Division, but they declined to vote for it. Indeed, they voted against it. The right hon. Member for Bermondsey and Old Southwark (Simon Hughes) came to the debate in the House on Monday and said that he was interested in dealing with the immigration law aspect in the Bill, but again, his colleagues said nothing about that in those lengthy Committee proceedings. The right hon. Gentleman said that he would pursue the matter. The modus operandi of the Liberal Democrat party is to sit on a Committee, do nothing, and then come back on Report and pretend they have done a hell of a lot. I am rather disappointed

in the right hon. Member for Carshalton and Wallington in that regard. I have never been a tribal politician, but when I see this kind of behaviour, it makes me a bit sick.

Mr Slaughter: I have three headlines from *The Guardian*, which are like a tableau. From September, we have "Liberal Democrats urged to defy plans to cut legal aid"; from October, we have "Lib Dem MPs rebel against proposals to cut legal aid funding"; and from yesterday, we have "Lib Dems have their cake and eat it". That last article features a lovely picture of the right hon. Member for Carshalton and Wallington (Tom Brake). They rebel, and at the last moment, they do not.

Mr Llwyd: I have made my point, so I will move on to the substance of this important debate, because others wish to speak.

I support the hon. Member for Makerfield (Yvonne Fovargue) on new clause 17, the amendments tabled by the Official Opposition, and new clause 43 and amendment 162, which were tabled by my hon. Friend the Member for Carmarthen East and Dinefwr (Jonathan Edwards).

However, I am against clause 12, which threatens through secondary legislation to limit advice and assistance at police stations. I shall not speak for long, but it is important to deal with one or two aspects of the measure. Clause 12 could thwart the fundamental right to legal advice when held in police custody, which frankly is a time when individuals are at their most vulnerable. That the Government did not consult on that measure has been widely criticised by many, and not simply those who allegedly want to raise money. The Lord Chief Justice is not dependent on legal aid, as far as I am aware.

I spoke in Committee of the importance of people having legal advice and assistance when they are detained in police stations. No consultation was held, but the measure was pushed through. Clause 12(3) is particularly worrying, because it would allow the Lord Chancellor to introduce regulations requiring the director to apply means-testing provisions if he or she considers them appropriate. It is well known that advice and assistance on arrest are not currently means-tested. The introduction of that in a police station is utterly inappropriate. What is more, as the Bar Council has pointed out, experience over the years shows that errors and abuses at police stations are responsible for very many miscarriages of justice, which cost not only lives, but finances.

Amendments 90, 104 and 125, which are in my name, would ensure that as a matter of course advice and assistance would continue to be made available for individuals held in police custody—they would not be subject to any means or merits testing. Amendment 104 would remove the word "station", and amendment 125 would remove the need for a determination by a director. Furthermore, amendment 90 would remove subsection (9) and state in its place that:

"Sections 20 and 26(2) do not apply".

The first point clarifies that means-testing cannot be introduced at police custody. Negating the application of clause 26(2) would ensure that the Lord Chancellor was unable to replace advice in person at police stations with

"services to be provided by telephone or by other electronic means."

Clause 12 has a grave potential to destabilise access to justice for some of the most vulnerable in our society. As Liberty has pointed out:

"Justice requires that, as a bare minimum, all individuals taken into police custody have access to legal advice and representation when facing criminal allegations with the potential loss of liberty, disruption and damage to reputation they entail."

As anyone who has practised criminal law will know, the first couple of hours in custody can be crucial in determining whether a case goes further, even on to an interview. Most people, when facing a police interview, particularly for the first time, are unable to think clearly and may not be cognisant of their best interests. As I said in Committee, at the very least the initial interview at the police station should proceed on the basis that the solicitor will be paid for the first couple of hours. It seems that the Government were unwilling to listen to that concession.

Keith Vaz (Leicester East) (Lab): The right hon. Gentleman makes an important point which I support completely. However, there is another aspect to this matter. The solicitors who are available to give such legal advice usually have great expertise in the criminal law. If legal aid is removed and there is means-testing, the wrong type of professionals—those who do not have the expertise—will be available to give advice.

Mr Llwyd: The right hon. Gentleman is absolutely right. I note from my own experience that such people are highly qualified for the work that they do. If two hours are spent with a solicitor who is well-versed in procedure, a lot of work can be done and people's reputations can be saved. It is vital that we do everything we can to retain that provision. I am not doing any special pleading for lawyers. I appreciate that there should be paring back in some areas of legal aid, but this is a fundamental matter of access to justice and it is important that the Government listen.

It is worth noting Liberty's point that attempting to introduce means-testing when an individual is in police custody is likely to be "unworkable" because it

"requires documentary verification of financial resources",

which an individual in custody is clearly unlikely to have on his or her person. That would again result in inevitable delay and the wasting of resources.

Jeremy Corbyn (Islington North) (Lab): The right hon. Gentleman is making an excellent point. Is he aware of any representations on this matter from police sources? They must be worried that suspects will be held in police stations for an excessive time while documentation is sought and possibly not found. They will then be forced either to release the suspect or to take them to court without access to a lawyer, which a lot of police forces would not be willing to do.

Mr Llwyd: The hon. Gentleman is absolutely correct. I will say a few words in a minute about the Police and Criminal Evidence Act 1984, which is important in this regard. Clause 12 will run a coach and horses through it.

I do not believe that clause 12 is well thought through. What is worse, it undermines one of the core principles of our justice system: fair and equal access to justice for all citizens. I therefore cannot support it.

[Mr Llwyd]

The Law Society's head of legal aid, Richard Miller, has said:

"This is not only an assault on the rights of citizens, it is also a logistical nightmare to operate in practice."

He has said that substantial hidden costs undoubtedly will follow and that it will be "simply unworkable". Max Hill, the chair of the Criminal Bar Association, said that the Government were meddling with a "fundamental right":

"To contemplate some sort of qualitative testing to decide when and if a member of the public should receive legal representation and advice...is deeply alarming."

As I said, I will not speak at length, but I will say a word about miscarriages of justice. We know of a spate of miscarriages of justice that occurred in the '70s and '80s, and there was an official inquiry into several of them. The Birmingham Six were jailed for life in 1975 for pub bombings. The convictions were overturned in 1991 after evidence emerged of the police's fabrication of confessions and suppression of evidence. The Guildford Four were convicted of a bombing in the same year. The conviction was secured on confessions that were obtained through coercion, violence and threats by the police. They were acquitted in 1989.

Jeremy Corbyn: The right hon. Gentleman is making a strong point. However, the Guildford Four were actually the first people to be arrested and convicted under the Prevention of Terrorism (Temporary Provisions) Act 1974, which meant that they were specifically denied access to anyone at the time of arrest. That was not the case with the Birmingham Six, who instead were abused in the police station.

Mr Llwyd: I stand corrected. I am pleased that the hon. Gentleman has corrected the record for me. However, my point still stands.

Stefan Kiszko wrongly served 16 years for rape and murder after being arrested in 1975. He confessed to the police after three days of questioning without a lawyer. That and several similar cases gave rise to the Police and Criminal Evidence Act, which gave a detained person the protection of proper legal advice. It also, crucially, gave protection to the police, which is the point made by the hon. Member for Islington North (Jeremy Corbyn). Clause 12 will undoubtedly drive a coach and horses through the 1984 Act and I believe that it should be resisted at all costs.

Stephen Lloyd (Eastbourne) (LD): I rise to speak on new clause 17. I pay tribute to the hon. Member for Makerfield (Yvonne Fovargue), who was the chair of the all-party parliamentary group on Citizens Advice before I took over. I endorse what my right hon. Friend the Member for Carshalton and Wallington (Tom Brake) said. Originally we wanted to speak to amendment 149 under the social welfare grouping on Monday night and it was disappointing that that group was not reached. Consequently, although I do not agree entirely with new clause 17, I am minded to support it, particularly given how it relates to Citizens Advice.

Some of my points have been made by my right hon. Friend the Member for Carshalton and Wallington. I reiterate that at a time when we are making radical changes to the welfare system by introducing universal credit, replacing disability living allowance and making substantial changes to employment and support allowance, it is unwise to withdraw the support for people who are challenging bad decisions. As we all know, in the process of reform, mistakes can be made. As I am sure the House is aware, the introduction of ESA has generated a significant volume of appeals and 39% of ESA appeals are still being found in favour of the appellant. The position of the Department for Work and Pensions is that welfare advice should not be funded on issues of benefit entitlement because advice is available through DWP agencies such as Jobcentre Plus. However, I strongly believe that the solution is not to take welfare advice out of the scope of legal aid altogether, but to make appropriate distinctions over whether problems involve issues of complexity.

Kate Green (Stretford and Urmston) (Lab): I support a great deal of what the hon. Gentleman is saying. Does he agree that it is inappropriate for people to rely only on advice from Jobcentre Plus when they may need advice because they wish to challenge the decisions of that agency?

Stephen Lloyd: I agree with the hon. Lady. It is good to see her taking part in the debate, because she sat on the Work and Pensions Committee with me before she was promoted to her very high place. She makes a strong point that emphasises that the solution is not to take welfare advice out of the scope of legal aid altogether, but to make appropriate distinctions, as it states in new clause 17, over whether problems involve issues of complexity. The issues that end up before tribunals are often extremely complex and involve the interpretation of statutes and case law precedent. It is wholly unrealistic to expect somebody without specialist knowledge to undertake that. Legal advice is essential, in my view, to the fairness of the appeals process.

3 pm

By definition, the people who would be denied help are vulnerable and less able to help themselves. Ill and disabled people make up 58% of those who will be affected by removing legal aid from welfare advice. Reviews and appeals should be treated separately from more routine matters and it should be noted that work on appeals and reviews accounts for only 66% of current welfare benefit casework undertaken under Legal Services Commission contracts. Consequently, restricting legal aid to reviews and appeals would reduce the welfare legal aid bill by 40% from £16.5 million, as my right hon. Friend the Member for Carshalton and Wallington said. That is a significant cut, as I am sure the Minister is aware, and it would help the 100,000 people involved—and they would be the most vulnerable 100,000.

I support new clause 17 and unless I hear a clear message from the Minister on the points that we—and especially my right hon. Friend—have made, I shall support it in the Lobby.

Valerie Vaz (Walsall South) (Lab): I declare an interest as—or confess that I am—a lawyer. I was a solicitor for more than 20 years, and I worked for the Treasury Solicitor's Department and the Ministry of Justice, as well as in private practice and the public sector, on behalf of local authorities.

I am concerned by the removal of welfare benefit, education and debt recovery cases from the scope of legal aid. Those are the kind of bread and butter issues that used to be dealt with under the green form scheme. I wish to reassure hon. Members who are concerned that lawyers are in it for the money that we often used to give advice for nothing to people who came through our doors: we went over the time limit but never claimed for it. So we can knock on the head the idea that lawyers are only in it for the money.

When I acted for local authorities in possession cases, we found that tenants who were going to be evicted were better informed when they had advice from the duty solicitor. I sat as a deputy district judge and it was much better when the people who appeared before me were not litigants in person. If they have a lawyer to give them proper advice, less court time is taken up.

Keith Vaz: One of the problems with the reduction in legal aid is that a whole generation of lawyers with expertise in welfare, immigration and education law will disappear. The only type of lawyers churned out of law colleges will be those who can do corporate litigation.

Valerie Vaz: I absolutely agree with my right hon. Friend, who has taught me more than he will ever realise. He has in common with the Lord Chancellor the fact that they both attended the very eminent lawyers' college, Gonville and Caius.

I saw cases from both sides—tenants and local authorities—and it was very important for people to be able to access legal advice. More and more parents are now resorting to the use of lawyers to get their children into the school of their choice. If they can afford it, that is fine, but what if they just want basic advice on how to attend an appeal? That is very important for parents who cannot afford lawyers.

By happy coincidence, I acted in Hammersmith and Fulham *v.* Monk, a case that went straight to the House of Lords—at the time, my hon. Friend the Member for Hammersmith (Mr Slaughter) was a very good deputy leader of the council—because it involved an important question of principle. Could one of two joint tenants sever the tenancy by serving a notice to quit on the landlord? The result of that case was that we could rehouse women who were victims of domestic violence and retain the property involved. Mr Monk was legally aided, and it was important that that principle was decided by the House of Lords.

Another local authority wanted to settle the same question, and legal aid was available in that case too, but I took the decision that it would be sufficient for only one case to go forward, so lawyers do put brakes on extensive costs. I have had the privilege of litigating on behalf of the Government and, as the House will know, we have one of the finest judiciaries in the world. Judges can keep account of costs and they do not allow lawyers to go on and on and run up costs, but they also have to take their time when a litigant in person is appearing before them. There are also other ways to reduce costs, such as the Littlewoods clause. If someone has received legal aid and then come into money—by winning the pools, for example—the Government can claw back the money. Judges can also make a wasted costs order against lawyers who waste time in court.

I am a member of the Health Committee and we investigated clinical negligence, which now costs the state £800 million, whereas if it had stayed within the scope of legal aid it would cost only £17 million. That is a huge difference, and I wish the Government would think again. Even the NHS Litigation Authority said:

"The reduction in availability of public funding for clinical negligence claims and the corresponding rise in Conditional Fee Arrangements, backed by After the Event insurance, has also contributed very significantly to the cost of litigation".

Who can get legal aid? That is a very important question and I have three examples of why that is so. The LSC gave legal aid to the Nepalese Gurkhas, and we know how that turned out. It was a very important principle concerning people who had fought and died for their country. It gave legal aid to Sean Hodgson, who was wrongly convicted and was freed after 27 years. It also gave legal aid to Colin Ross, a cancer patient who won a battle in the High Court for life-saving drug treatment that could give him an extra three years of life. Mr Ross received legal aid to challenge a decision by West Sussex PCT to refuse funding for the drug he wanted.

In the recent case of W *v.* M, S and an NHS primary care trust, Mr Justice Baker said:

"Given the fundamental issues involved in cases involving the withdrawal of ANH"—

artificial nutrition and hydration—

"it is alarming to the court that public funding has not been available to members of the family to assist them in prosecuting their application. In the event, the applicant's team has acted pro bono throughout the hearing and during much of the very extensive preparation."

That goes to the heart of what legal aid is all about. It is important to test legal principles. That is what judges are for, and it forms part of the checks and balances on the Executive. The late Lord Bingham called the rule of law

"an ideal worth striving for".

The same sentiment applies to access to justice, so that we remain a United Kingdom. I urge the Government to think again about these divisive proposals.

Mr David Ward (Bradford East) (LD): We have heard some naughty stuff from the Opposition. I remember serving on a Public Bill Committee shortly after I arrived in the House. Now, I am a lad from Bradford, and we have this strange practice in Bradford: when we agree with something we vote for it, and when we disagree with something we vote against it. I went into Committee, and of course people soon told me, "That's not the way you do it. If something comes from the other side, even if it's a good amendment, you simply don't accept it." [Hon. Members: "Name them!"] I understand that that was common practice in the previous Parliament. [Hon. Members: "Name them!"] That is a tad nosey.

I am not a lawyer, but many, many people have come through my constituency door who desperately need, but cannot afford, a lawyer. I have serious concerns about these proposals, and I am very much in favour of new clause 17. Another thing that I quickly learnt when I came here was that there were unintended consequences. I had never heard of those before, to be honest, but I soon realised that when something goes wrong a bit later in the day—six months or a year later, perhaps—we

[Mr David Ward]

say, "Well, it was unintended consequences." That is basically a euphemism for, "We got it wrong." In Bradford, we say, "We made a bad decision."

Often we make bad decisions—that is the way of it—but, when we analyse why we are making bad decisions, often we find that it is because we failed to gather information or consult. Well, we have consulted on this, and we have a body of evidence. I thank the Liberal Democrat Lawyers Association for the information that it provided for us—no doubt other groups have provided information for other Members—and I am also grateful for the information from Citizens Advice. In particular, there are the case studies. Let us consider the consequences of the proposals. We can all look into the future and guess, but there are examples—case studies—of people receiving legal aid who simply will not receive it if these proposals go through. I am speaking for five or 10 minutes and could give hon. Members a couple of examples, but if I spoke for 20 minutes I could give three or four more; if I spoke for an hour I could give a dozen, and if I stayed here for a week I could give hundreds of case studies, one after another, of people who would be badly affected by the proposals.

We have received valuable information from the Law Society about the fictitious nature of the savings. They just will not be generated. In fact the proposals will probably add to costs in many ways. I am seriously concerned that, given the body of evidence available, including the huge number of case studies and examples from our constituencies, the consequences will not be unintended. These will be intended consequences; what will happen will be what the Government intended to happen. Various suggestions have been made of alternative measures that people could take—for example, they could represent themselves, or seek support from advice services—but the overall intention is that people will just go away. They will not be supported—but they will not go away, will they? Their problems will remain, and will probably get more serious, and indeed more costly.

Yvonne Fovargue: Does the hon. Gentleman agree that it is worth reminding the House of the costs of taking a case under the legal aid scheme? A welfare benefits case costs £164. That is what the agency gets for dealing with it. It is £200 for a debt case and £174 for a housing case—and I believe that those costs have been cut by 10% from 1 August. These are not high-cost cases; this is extremely good value for money.

Mr Ward: Absolutely. I actually deleted some of my speech because of the figures that the hon. Lady quoted earlier, which highlighted my point about the fictitious nature of the cuts, the costs and the value for money to the public purse.

Jeremy Corbyn: The hon. Gentleman is making an important point. Let us consider the parallel of immigration law. If individuals do not have access to a lawyer to deal with an immigration case they go to an immigration adviser, who might end up, over a period, getting a great deal of money out of them, often almost by coercion, in return for very bad advice that often results in disaster. The legal aid process means that people get qualified lawyers giving sensible intelligent advice, which will save us all a great deal more money in the future.

3.15 pm

Mr Ward: Absolutely. I have come across some pretty scary cases involving several hundred pounds of single-sheet letters from lawyers, but I have had no joy in trying to bring them to the attention of the Law Society. The hon. Gentleman is right. The present system represents good value for money to the public purse.

Lyn Brown: I thank the hon. Gentleman for giving way; he is being very generous. Community Links, an amazing voluntary organisation in my constituency, provides welfare and benefit advice and is funded, in part, by legal aid. A 10% cut in its fees will jeopardise any remaining advice that it can provide, because it already subsidises the legal aid fees coming in. I presume that he has had the same experience in Bradford.

Mr Ward: Absolutely. We have talked about the evidence, but it is almost so overwhelming that we must begin to wonder what is behind this. What on earth is going on here?

Karl Turner: Come over!

Mr Ward: Hang on.

An answer that I have been given is that this is all in the coalition agreement.

Karl Turner: Come over!

Mr Ward: Hang on.

Occasionally I try to abide by the coalition agreement, but this is not in there. There is in the coalition agreement something about the deficit reduction, and I am up for that—we do desperately need to reduce it—but I am not convinced that this will contribute to that. It is a very dangerous thing if we are going to use deficit reduction as a justification for almost anything that we might do. We have to question what we are doing.

Karl Turner *rose—*

Mr Ward: I need to bring my speech to an end. Others need to speak.

One thing that the coalition agreement does say is that we should have a fundamental review of legal aid. I am up for that. Absolutely. Where is it? Why on earth are we taking these measures? The Business, Innovation and Skills Committee is due to undertake a debt management review, and there are a series of other reviews looking at advice centres and the work that they do. We should do that first.

Karl Turner *rose—*

Mr Ward: Oh, go on then.

Karl Turner: I am grateful to the hon. Gentleman for giving way. He is making a powerful speech on behalf of his constituents, and he is also speaking for many Opposition Members. Has he thought about crossing the Floor and joining us?

Mr Ward: I tell you what: I promise to do so once we have sorted out the mess you left us in. I shall come across then, because it will just be so much easier—

Mr Deputy Speaker (Mr Nigel Evans): Order. The hon. Gentleman is using the word "you", but as he knows, that refers to me. Could he please refrain from using that word?

Mr Ward: I apologise, Mr Deputy Speaker.

Someone once told me that the world is divided into two groups of people. There are those who, when they see somebody walking down the street with a walking stick, believe in kicking the stick away because it will make that person stronger, and there are those who believe that if they kick away the stick, the person will just fall over. We are in grave danger of making some of those who are, by definition, the most vulnerable in our society fall over, and we will still have to be there to pick them up, at even greater cost to the public purse. It does not make sense; we should not do it.

Karl Turner: I of course support new clause 17, standing in the name of my hon. Friend the Member for Makerfield (Yvonne Fovargue). However, I will restrict my remarks to amendment 116, standing in the name of my hon. Friend the Member for Hammersmith (Mr Slaughter) and those of many Lib Dem Members, for what it is worth. Clause 12 will effectively provide for means-testing in the police station. I have many concerns about that from my experience as a lawyer. I have practised criminal law as a solicitor for many years—indeed, my wife is a qualified criminal duty solicitor—and shortly before the general election I joined my local chambers as a pupil barrister. I therefore come to this debate with some experience as a criminal lawyer.

I want briefly to talk about the practical difficulties of means-testing people in a police station. Let us imagine the situation—it happened last weekend, in fact. My wife's pager goes off. It is three o'clock in the morning. She spends the next six hours in Priory Road police station, representing a young man who is suspected of very serious criminal offences. She is not in a position to go through the paperwork or CDS—criminal defence service—application form to make a claim for legal aid in that situation. What the client wants to know is: "How long am I going to be here?", "What are the consequences if I'm charged?", "What will happen if I end up appearing before the magistrates court?" and, at the end of the day, "What will happen if I am convicted?" The question is not: "How much do you earn?" That is the last thing that the client will want to put their mind to. Indeed, the solicitor in attendance would not be acting in a proper way if they asked that question. I firmly believe that everybody should be entitled to free and independent legal advice while in a police station. It is a fundamental right in a democratic society, and to remove it would be a huge mistake.

I have spoken briefly about the practicalities, but it is also important to spend a moment thinking about what used to happen. My hon. Friend the Member for Walsall South (Valerie Vaz) mentioned the green form. Yesterday evening I spoke to a solicitor who has been around long enough to remember the days of the green form. He told me that he used to send his secretary, or anybody in the office who was available. Things have changed for the better. People need to be qualified; they have to attend courses. I remember doing them: I did not like it very much at the time, but I went along, I paid the money—or the people who employed me did—I did the homework, I passed the examinations and I carried on with my CPD, or continuing professional development.

I did that because when I am called to a police station as a solicitor, it is important that I know what consent means in relation to an allegation of rape. It is important that I can explain what defences might be available. It is important that I have enough knowledge and experience to be able to say to a client, "It's in your best interests to speak to the police," or, "In my professional opinion, it's not in your best interests to speak to the police." We must not think that everybody who attends at a police station is guilty of a terrible crime. In my experience the contrary is true. The vast majority of detainees in police stations are either not charged, released on bail pending further inquiries, or, if they are charged, acquitted. A minority of cases make their way to the courtroom and end in a conviction. Everybody is entitled to access to a solicitor. It is a fundamental right, which, in my opinion, this Government are putting at risk.

I should mention the situation before the Police and Criminal Evidence Act 1984. Hon. Members have touched on it, but we had the Birmingham Six and the Guildford Four—great miscarriages of justice—and we learned from that. I think I am right in saying that the current Lord Chancellor was responsible for the 1984 Act, which was the right thing to introduce. Before PACE was introduced, people were making "confessions" that it later transpired were not proper confessions at all. It is important to remember that time. Miscarriages of justice cost the country an awful lot of money, but it is not just about money; it is about the effect on society when people can be convicted for something that they did not do and when they were nowhere near the scene. That seems appalling and very short-sighted.

Another concern for me is adverse inferences from silence. I have not looked at case law recently, but eminent barristers on both sides of the House will be familiar with it. The most recent case I am aware of is Murray *v.* UK. If my memory serves me correctly—I admit I have read only a summary of the court case—it says that a jury could not be invited to hold an inference against a person's silence in the police station if that person was prevented from seeking legal advice in that police station. I believe that this is one of the unintended consequences that the hon. Member for Bradford East (Mr Ward) spoke about.

Let us imagine this scenario. A solicitor turns up at a police station to see a client and quickly establishes that the client has enough money to be able to pay for his own legal advice. Acting quite properly in the best interests of my client, I would say, "Keep your mouth shut." I would tell the client to say absolutely nothing. I cannot afford to hang around because I am not getting paid and I am not sure that I will be paid even if the client makes an undertaking and assures me that the money will be brought to the firm of solicitors for which I work at some point in the future. I would probably be thinking, "I'm going. I'm not going to get any disclosure from the police, but in the best interests of my client I am going to tell him or her to keep their mouth firmly shut." That provides an opportunity at some point in the future for that suspect effectively to make up their defence. It removes a valuable tool for the judiciary and the jury to decide whether they think an inference should be made from the client's silence at the police station. This is a massive mistake.

[Karl Turner]

This Government have not consulted on this proposal in clause 12. From a sedentary intervention I told the Minister earlier that it was probably written on the back of a fag packet. With respect, I think it probably was. There has been absolutely no consultation. I have spoken to many solicitors who have said that this proposal just came out of the blue. Nobody expected this. The Law Society was shocked. I have had meetings with the Bar Council and the Law Society, and they have told me that they did not expect this.

Mr David Burrowes (Enfield, Southgate) (Con): I am grateful to the hon. Gentleman, who has much experience in this area. I declare an interest as a duty solicitor still on the books for doing my duty at police stations. I share many of the hon. Gentleman's concerns about the practical application of a clause that I understand the Government have indicated they have no immediate plans to implement. Will he expand on the details about the interests of justice test? Does he agree that there is specific interest of justice in respect of the advice and assistance at the police station given to a detainee who has already lost his liberty? The issue of stating his case is different from what it would be in court, and he might need specific, independent advice.

Karl Turner: I would need more time to think about that, but I am tempted to say that I agree with the hon. Gentleman's second point. On the first point, however, am I supposed to believe the Minister when he says, "Well, we want this on the face of the Bill, but we are never going to use it."? That is absolute, utter and complete nonsense. I asked my researcher to make inquiries with the Library and find out on how many occasions the previous Government—of whom I am entirely proud—may have used this provision as a tool. My researcher came back to me to say, "As far as the Library is concerned, there is no example whatever of a Government building provisions into an Act of Parliament that they never have any intention of using." It is complete and utter nonsense to suggest that that is the case.

Several hon. Members *rose—*

Karl Turner: I will not give way, because many other Members are keen to speak in this important debate.

It worries me that the Government are ignoring expert advice on a proposal which, in my view, would remove a fundamental right from citizens, and that there has been no consultation whatsoever. The Bar Council and the Law Society have expressed honest concerns about the legislation, but the Government have completely ignored them, which is outrageous. Many members of the Bill Committee took that point on board, but in an article one of them, the hon. Member for Ipswich (Ben Gummer), described the Bar Council as bewigged Scargillites. I assure the House that my colleagues at the Bar are far from being bewigged Scargillites.

3.30 pm

During my time as a criminal lawyer I defended the last Government on many occasions, and it is nonsense to say that that Labour Government were not generous to publicly funded lawyers. However, I believe that a fixed fee in a police station is now about a hundred and sixty quid; it is certainly less than two hundred. If I were still a solicitor and the pager went off, I would have to go to the police station with no idea of what awaited me. I would hope to be there for five minutes, but I might well be there for six, seven, eight, nine or 10 hours, or even longer.

It is utterly disgraceful to suggest that publicly funded lawyers are earning vast sums. As of 3 October this year, solicitors are not paid committal fees in a magistrates court. That effectively means that if a case is committed to the Crown Court, whether under section 51 of the Crime and Disorder Act 1998 or because the defendant elects for it, the solicitor will not be paid for the work. So when will solicitors be paid? They will not be paid in a police station, and they will not be paid if the case is committed to the Crown Court.

Is not the Government's plan simply to squeeze solicitors out of the game? Clause 12 suggests that they expect them to work for free. Make no mistake: that is what it is all about. It is true that big solicitors' firms with mixed practices dealing with other areas of law involving private payment may well survive, retain a criminal franchise and employ people to do a job, but I can tell the House that it is not cheap to employ an accredited police station representative. I do not know for sure because I have never been one, but I would guess that their salaries are between 25 and 30 grand a year. A newly qualified solicitor in my area, Hull, probably earns between £22,000 and £26,000. Moreover, the courses that solicitors must attend in order to become qualified to give legal advice in a police station cost many hundreds of pounds, and it is not a one-off cost. When people become qualified to give such advice, that is not the end of the matter, because they are required to engage in CPD as they continue in practice.

It is unbelievably short-sighted of this disgraceful Tory-led coalition Government, disgracefully propped up by the Liberal Democrats, to suggest that this might be a good idea. *[Interruption.]* I am not sure what the Under-Secretary, the hon. Member for Reigate (Mr Blunt), said from a sedentary position, but I am sure it was not worth hearing. The reality is—make no mistake about it—that this will cost an awful lot more money in the long run. I am glad I have put that on the record because at some point in the future I will be saying it again to those on the Treasury Bench.

Ben Gummer (Ipswich) (Con): It is always a considerable pleasure to follow the hon. Member for Kingston upon Hull East (Karl Turner). His speech was passionate, well informed and full of some good sense. I was unable to support a similar amendment of his in Committee, because on one rather important issue I disagree with him. I do not think it is wrong in principle for a millionaire who has been convicted of murder to be charged for the legal defence they received at the police station. However, I do agree with the hon. Gentleman that what is important is the point at which that charging happens.

Karl Turner: I have a great deal of respect for the hon. Gentleman, too. I mean that sincerely.

I recall attending a police station to represent a doctor who had an NHS practice as well as a private practice. If he had said to me, "Listen, I'll pay you," I would not have continued to advise him in what was a

very important case. When a solicitor turns up at a police station in such circumstances, they cannot be sure they will be paid. Even if the doctor had given me an absolute, cast-iron assurance that I would get that money, the firm of solicitors that employed me would not have allowed me to stay there. That is why I disagreed with the amendment of the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd) in Committee. He suggested that two hours should be free, and then there could be charging. I disagree; I think anybody in a police-station scenario should be entitled to free and independent legal advice.

Ben Gummer: At the risk of this turning into a mutual affection session, let me say that I understand the hon. Gentleman's point and agree with the foundation of his argument, which is that the Police and Criminal Evidence Act 1984 was the most significant advance in criminal law in this country since the second world war and we must take into account the abuses that led to its introduction. On that basis, it is an important principle that there should be free and unmolested legal advice at the point of arrest for all people, no matter how much they are worth, so that no one need be worried about the quality of the advice they are getting.

We could, however, debate whether it is appropriate to have retrospective charging for people of means who have subsequently been convicted.

Mr Burrowes: All Members want there to be proper access to justice for all, and informed legal advice that can address miscarriages of justice and uphold people's basic human rights in police stations. Might those charges be best recovered at the point of conviction? That would not create risks in respect of access to justice. Also, in prosecutions by the Department for Work and Pensions and other agencies, applications are made that cover the costs for the whole of the investigation as well as the court costs.

Ben Gummer: I bow to my hon. Friend's superior experience of such matters. There might be a mechanism under which retrospective charging would be possible. We could debate that, and Members on both sides of the House would make reasonable arguments. Given the phrasing of the provision currently under discussion however, such a debate is not possible now.

I hope the Government will be able to provide assurances on another problem. In principle, I am against contingent legislation. I remember sitting up in the Public Gallery when I was very small, watching others in this Chamber discuss prevention of terrorism legislation. The then Opposition, headed by Neil Kinnock, were arguing passionately against that legislation for precisely the reason I am discussing. I do not think that they were right in that circumstance, but I find troubling the idea of putting contingent legislation on the statute book that could be re-enacted by order later without reference to Parliament. I hope, therefore, that the Government will either flesh out their proposals for the retrospective charging of defendants should they be convicted or decide to approach this matter in a different way.

Lyn Brown: I wonder whether the hon. Gentleman could help us on the motivation of his Front-Bench team for making this clause contingent. Does the Minister need people to walk through the Lobby with him and they might otherwise not choose to do so?

Ben Gummer: The motivation of my right hon. and hon. Friends on the Front Bench is unimpeachable, as I have found from sitting behind them in the Public Bill Committee.

Mr Llwyd: First, I agree with the hon. Gentleman about that form of legislation and he makes a valid point. A couple of minutes ago, he asked why a millionaire or multi-millionaire should not pay for legal advice and assistance. In my experience, the vast majority of very wealthy people have their own lawyers and in many cases they actually carry their number with them all the time.

Ben Gummer: The right hon. Gentleman makes a reasonable point. However, a point of principle is involved here. I do not understand why people on low incomes in my constituency or that of the hon. Member for Kingston upon Hull East should be subsidising the legal advice of those who can pay for it at a later date should they be convicted of a crime. We can have a debate about this. All I am saying is that we should have the debate now, perhaps with a new clause, or address it in another place in a different way.

I move on to the new clause tabled by the hon. Member for Makerfield (Yvonne Fovargue). Her expertise in social welfare law is probably unparalleled in this House and I very much value what she brought to this debate. However, I would remind her—I hope that she will not take this remiss—that at the last election she stood on a manifesto promising cuts in legal aid. Although the examples that she gave were pertinent, no recommendation has come from the Opposition Front-Bench team as to the alternatives they would introduce, either to make cuts elsewhere, which would otherwise be seen in her area of advice—

Several hon. Members *rose—*

Ben Gummer: May I just finish my point? At the beginning—

Mr Slaughter *rose—*

Ben Gummer: I will give way to the shadow Minister.

Mr Slaughter: I hope that we can make some progress in this debate now. This is not helping—*[Interruption.]* The Under-Secretary of State for Justice, the hon. Member for Huntingdon (Mr Djanogly) is laughing. I hope that he is not going back on his earlier promise that we would make progress today. Had the hon. Member for Ipswich (Ben Gummer) been here earlier, he would have heard me deal with that point, in terms and at length, in response to an intervention from the Chair of the Select Committee. Will he stop wasting time?

Ben Gummer: The hon. Gentleman is a little previous. Had he allowed me to continue my point, as I had asked, he would have heard me address exactly what he said. I did hear what he said, albeit outside the Chamber. Let me deal with this point about the Opposition. If they are to be credible, they have to make alternative proposals for cuts to legal aid, which they promised in their manifesto and have promised since, to this Chamber. A few months ago, during the Public Bill Committee, they clung to the proposals made by the Bar Council and the Law Society, until those proposals fell apart. They fell apart to the extent that the Bar Council and

[Ben Gummer]

the Law Society have had to revise them in a resubmitted document provided earlier this week. That was the Opposition's first cost-reduction plan and it was not one of their own making—it was made by others.

Some £245 million-worth of amendments were tabled by the Opposition in the Public Bill Committee, along the lines of those proposed by the hon. Member for Makerfield, but with no suggestions as to where cuts might be made elsewhere. So we get to a point where there is a complete absence of the other side of policy from Her Majesty's Opposition—it might provide some credibility to what they propose—until perhaps today, when the hon. Member for Hammersmith (Mr Slaughter) appears before the House saying, "We are going to bring in accelerated competitive tendering in criminal defence work."

3.45 pm

I have to admit something rather embarrassing to the House. I am afraid I am a constituent of the hon. Member for Hammersmith (Mr Slaughter). At the last election I received a great deal of communication from him, much of which revolved around the third runway at Heathrow, which he valiantly opposed.

Sadiq Khan (Tooting) (Lab): This is just filibustering.

Ben Gummer: This is not filibustering. I will explain why. *[Interruption.]* I got the impression that a promethean career had been cut short by the principles of the hon. Member for Hammersmith, but at no point—

Karl Turner: On a point of order, Mr Deputy Speaker. Can you offer some guidance? When time is short and we are keen to debate the important issues in the Bill, is it right for hon. Members to go off the point so widely?

Mr Deputy Speaker (Mr Nigel Evans): I am allowing a little latitude, and I mean a little. I am sure Mr Gummer will wish to get his remarks straight back on to the business before us.

Ben Gummer: I was about to say that in none of that communication did I receive any indication that the hon. Member for Hammersmith disapproved of the previous Government's termination of competitive tendering for legal services in 2009. On that point he was silent. There was no outrage that the scheme that he is now proposing had been stopped by the previous Government, no sense that he would step down from a position on that point, as he would on the issue of the third terminal. Thus this modern-day Prometheus has been found wanting.

May I ask, therefore, that in their submissions we may have a little more substance from the Opposition on how they might pay for the many amendments that they have tabled on Report, instead of their jumping on every passing bandwagon and every interest group to which they can plead?

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): I begin by declaring an interest as somebody who used to work for Citizens Advice Cymru before being elected to this place, and who currently serves as the secretary of the Citizens Advice all-party parliamentary group. I shall speak to new clause 43 and amendment 162 in my name. They are probing amendments so I shall be brief, but colleagues in the other place might want to pursue the matter in greater detail, especially as the amendments carry the support of the official Opposition, for which I am extremely grateful.

The amendments are supported by advice organisations concerned that a strict interpretation of legislation may leave holes in the legal aid safety net. From a pragmatic and practical perspective, the intention of the amendments is to allow funding for the provision of advice from third sector independent and impartial advice organisations to assist with understanding a case, without the requirement to provide formal and costly legal representation. That will help the Government achieve some of the savings aims in the Bill. In technical terms, the amendment would give the Lord Chancellor discretion to permit transfers from the legal aid budget to other funding streams for the provision of advice on issues to which schedule 1 does not apply.

If schedule 1 is to be the future shape of civil legal aid, the scheme needs to work alongside advice services which deal with other legal issues, such as debt problems, issues of benefit entitlement and appeals under social security law, employment rights and immigration decisions. On a practical level, it is a waste of resources if legal aid clients cannot receive holistic advice. I know that that is something on which Citizens Advice prides itself. There will also be many cases at the margins of the situations covered in schedule 1, and the Legal Services Commission's response to the Green Paper highlighted the problem of what it calls boundary issues, warning that

"the administration costs of considering such cases could erode revenue savings that the Ministry of Justice has committed itself to."

That addresses some of the points that Opposition Members have raised throughout the debate on the Bill and draws attention to the unintended financial consequences of what the Government are trying to pursue. I will close as I want to allow colleagues to speak about other parts of the Bill, but it would be helpful if, in response, the Government could explain how the concerns of civil society bodies about access to advice as a result of the prescriptive nature of schedule 1 will be addressed.

Simon Hughes (Bermondsey and Old Southwark) (LD): I am conscious that we have had two hours of debate already and I am keen, as are other Members, to get through all four groups of amendments if humanly possible, so I will make only a few comments. It is appropriate that contributions from both sides of the House, including from the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards), have made the case for the Government to proceed sensitively on this delicate issue.

My position is very clear: I signed up to the coalition agreement without reservation because it was the only realistic game in town. It was important to accept that one of the things that would drive Government policy was the need to reduce the deficit. That is right and necessary, so it is right that every Department should carry its share of that responsibility. As my hon. Friend the Member for Bradford East (Mr Ward) made clear, the coalition agreement stated that there would be a review of the legal aid system to make it work more

efficiently. If the Government are also to achieve their other objective, which is to ensure that the vulnerable are protected in a time of economy austerity and reduced spending, we must ensure that this part of public spending protects and assists them as much as possible. That is where the sensitivity arises.

Like other Members who have spoken, I am lawyer, but I am not here to defend the lawyers. We need good lawyers, such as the hon. Member for Walsall South (Valerie Vaz) and many others, who come to law not to be paid six-figure salaries in large commercial firms, but to be paid £25,000 or £35,000 a year, often working 40, 50, 60 or 70 hour-weeks, in citizens advice bureaux. There is a very worthwhile legal advice centre in my constituency, the Cambridge House law centre in Southwark, and many other such places. We are here to ensure that the issues they raise are on the agenda.

We are also here because in constituencies with high levels of unemployment and deprivation, such as mine, and in every other constituency, there are huge numbers of people who from time to time need legal support in the most difficult circumstances. We must ensure that the welfare net is protected. We have a very generous system, which cannot go on in the short term, but we must make the right decisions. All the attempts in the new clauses that concern me try to persuade the Government of that fact. I have five areas of concern and will flag up one relating specifically to the amendment that has not been spoken to already, but which I hope the Government will be able to respond to positively.

Stephen Lloyd: My right hon. Friend mentioned the good work that many lawyers do in this area—not the commercial fat cats—and touched briefly on Citizens Advice. Does he agree that the good work done by hundreds, if not thousands, of CAB legal advisers, who are not even lawyers but provide excellent advice, is absolutely unparalleled and that it would be a tragedy if any of the Government's proposals led to cuts in that work?

Simon Hughes: None of us can stand up and say that there do not have to be reductions, but of course it is not just the lawyers, the citizens advice bureaux or the other advice bureaux we should be concerned about; it is advice workers and qualified advice workers too.

The right hon. Member for Dwyfor Meirionnydd (Mr Llwyd), who has just left the Chamber, tried to wind us up earlier. I have one objective in these considerations: if I do not think that a Bill was in the right place when it began, I want to ensure that it ends up in the right place by the time it becomes law, As we know, the reality is that sometimes we can make and win an argument in Committee, but it is very rare for a Government to be defeated in Committee. Sometimes the argument can be won on Report. Arguments are normally won when the Government have been persuaded not only in the Chamber, but outside it. I have had meetings with the Under-Secretary of State for Justice, my hon. Friend the Member for Huntingdon (Mr Djanogly) and other colleagues, as have many other Members. The press reports that my colleagues on the Liberal Democrat Benches want to make further progress and changes, and we will continue in that.

We have heard that the Minister was very good and said in response to my amendment 145 which we debated on Monday that he would look specifically at the issue of family reunion, and I take him at his word. I think that that is a case where we need change, and I have no reason to think that, if he is helpful today, we cannot make significant progress. Of course, it would be lovely if all the amendments were made today, but we are not necessarily at that stage.

Tom Brake: My right hon. Friend has been a Member for many years. Can he recall on how many occasions when the Labour party was in power and we as an Opposition party put forward amendments in Committee that we received its support?

Simon Hughes: I cannot, either because there were none or they were very rare. To be serious, however, I have been a Member not quite for ever but for a long time under both Labour and Tory Governments, and I do not want to get distracted by that, because in reality we on the Liberal Democrat Benches all seek to work with the Government to get the right outcome, and we will do so constructively. We shall do that not by megaphone diplomacy but in a way that I hope is persuasive in argument and wins the day.

4 pm

I was as frustrated as everybody else when the final two groups of amendment were not debated on Monday, so I hope that Ministers will be sensitive to one thing that we lost out on, which was onward appeals. The Minister has it on his list, as amendment 147, and there is an issue when somebody who loses a case wins it on appeal but then the Government appeal on a matter of law. It seems important to ensure that there is parity between the citizen and the state, and I hope the Government concede that.

I absolutely understand the case that the hon. Member for Makerfield (Yvonne Fovargue) makes in her new clause. I have many constituents—we all do—who present with one issue, whereupon we discover that there are four, or their whole life is in a mess, whereupon we have to start trying to put it together again. Their situation will involve finance, relationships and housing, and it may involve the custody or care of children, but those complex cases absolutely need to be looked at and with legal support. That ties in to my point about telephone advice services, because people with such complex needs—whether or not they have plastic bags when they come through the door—cannot quickly and efficiently put their case on the telephone. Sometimes they cannot do so face to face, either, but one is much more likely to get an answer having had face-to-face engagement than if one tries to do so remotely, on the telephone.

Sir Alan Beith: Does my right hon. Friend agree, however, that in just those cases a high proportion of the advice required is not legal advice, but the advice of a sensible person with some experience in the area? Bodies such as Citizens Advice are very good at providing it.

Simon Hughes: For example, there is an organisation based in the constituency of my hon. Friend the Member for Bradford East called Christians Against Poverty, and it has people working in my constituency who are really good at dealing with debt. They have been tried and tested by me and others, so if one such element is debt I will often refer my constituent to them. They will

[Simon Hughes]

unravel those issues and try to get them sorted even when in the county court there might be a legal issue, such as a possession action by the council or a housing association for the person's flat, which one might need to manage as well.

Glenda Jackson (Hampstead and Kilburn) (Lab): In our constituencies we all have equivalents of the organisation Christians Against Poverty, to which the right hon. Gentleman refers, and there is no question but that they do marvellous work, but the kind of cuts that the Government are talking about will impact either directly or indirectly and, most certainly, on the citizens advice bureaux in my constituency. The real concern—certainly felt by me and, I think, by every Opposition Member—is that a terrible rock is being thrown into the social system, and the ripples are going to take out more and more people and, therefore, reduce more and more the advice that is out there at the moment.

Simon Hughes: The hon. Lady and I have inner-city constituencies, and we have exactly the same—not exactly the same, because Highgate and Hampstead must have a slightly different profile from Bermondsey and Old Southwark—

Glenda Jackson: Hampstead and Kilburn.

Simon Hughes: Hampstead and Kilburn, as it now is, sounds more balanced and mixed, but of course the hon. Lady knows about and has experience of the issues.

I think that the Government, given the constraints of the general economic position, are trying as hard as they can to find the support that the hon. Lady and I wish for. Her party, had there been a Labour Government in this Parliament, would have made cuts in legal aid and to public spending across the board, and she would not have liked it, as she did not when they were in power. Indeed, I remember her speaking against her Government pretty well every week in the previous Parliament, owing to what they were doing, and I was with her and made just those comments.

However, this Government have already put some money into Citizens Advice, for example. Transitional funding is being discussed. My hon. Friends have discussed with the Chief Secretary to the Treasury, who made a very welcome statement earlier today, putting more money on the table for public servants and the ways in which that might be extended. I understand the hon. Lady's point and we will try, from the Liberal Democrat Benches, to win that argument, but we have to win it within the confines of what is a very difficult position for everyone, including the Government.

On amendment 116, my right hon. and hon. Friends have made the point about clause 12. May I say to Ministers that if clause 12 is not going to be used, it ought to go? I understand why the Government might want a fall-back or safety-net position, but if it is not to be used they should let it go and say so. That is important because, as colleagues have identified, providing someone at a police station with legal advice and assistance will often save huge grief for them and their families and a huge amount of time for the police and other agencies that come to deal with them. Often, it will also save a huge amount of time for the criminal justice process afterwards. I am clear that, in time-efficient and cost-efficient spend, we ought to retain that and not lose it.

Let me make a substantive point about amendment 148, which is in my name, about telephone advice and the telephone helpline. The Government propose that the community legal advice helpline that is currently in use and does a perfectly good job should, once the changes have come into operation, be the sole method of access to the service for certain issues at the beginning. It is proposed that there should be a mandatory single telephone gateway for four areas at the beginning: debt, inasmuch as it is covered by legal aid; community care; discrimination; and special educational needs, subject to exceptions. The plan is that there should then be a phased expansion of the provision of specialist telephone advice into the other areas of law for which legal aid is available, except for asylum matters, and that there should be a pilot scheme.

The Justice Committee chaired by my right hon. Friend the Member for Berwick-upon-Tweed (Sir Alan Beith) has looked into this matter and said that it was not against a telephone advice line in principle, but it advised caution and the Government have responded cautiously. May I make two points about why the Government have to be really careful? First, there is real concern out there, as I know from my meetings with Cambridge House and other organisations that do legal aid work and advice in my constituency and borough, that if people have to go through a central call centre, which is the only way into the system, they will not get the same service as with NHS Direct, for example. With that service, if someone does not like what they get they can go to their chemist, GP or hospital, but this call centre will be the only way in.

However good any advice line might be, some people are not going to be very able to deal with that service. I know that the Government are not being absolutist about this issue and that the theory is that the person at the other end will spot the person who might have learning difficulties, poor English or whatever and make sure that there is a face-to-face service. However, I am nervous that if someone from Bermondsey, to choose a place at random, phones up the national headquarters, which may be in Bradford, there will not be a full understanding of their circumstances as a recently arrived Eritrean with children, for example, who is barely able to speak English and is trying to sort out their housing when there are legal issues. I therefore ask the Government to think again about how we might make sure that there are ways for people to see someone face to face in their community or part of the world that do not require their having that kind of advice only in the first instance.

Yvonne Fovargue: The telephone helpline will also direct people who are not legally aidable towards paid-for services. Does the right hon. Gentleman share my concern that if helpline staff do not know of any face-to-face advice agencies or telephone helplines for debt, for example, they might direct people to one of the fee-charging debt-management agencies, which would be totally inappropriate?

Simon Hughes: That would be inappropriate, and I hope that it would not happen. There should be safeguards.

I want to be constructive about how we might deal with the matter. First, when there is a helpline, as there is already, there should be monitoring not just in theory by the Government. Just as we have lay visitors at police stations and so on, there should be a facility for Members of Parliament and others—perhaps a representative group, such as the Select Committee that my right hon. Friend the Member for Berwick-upon-Tweed chairs—to be able to take part in seeing how the telephone helpline works. There will always be a telephone line, and I am not against that as an option, but it should be monitored by Parliament and Members of Parliament, as well as by the Government.

Secondly, I would be much more comfortable if somewhere was available in each region, rather than having to go through a national central location. If there was someone with the capability of knowing local circumstances, that would be hugely preferable. I hope that the Minister will be positive in his response to our concerns, and I hope that we will be given some encouragement that they will be not just listened to, but responded to at the first opportunity.

Joan Ruddock (Lewisham, Deptford) (Lab): I apologise, Mr Deputy Speaker, for the fact that I will have to leave the Chamber soon after I have spoken. I am taking part in the Royal Society's parliamentary pairing scheme.

I want to support some of the amendments tabled by Labour Front Benchers, and by the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards) and my hon. Friend the Member for Makerfield (Yvonne Fovargue). I am here solely because of constituents who have written to me, and it is their words and their concerns that I wish to bring to the Chamber today. My hon. Friend made an important and informative speech, but I will make a much simpler speech, about my constituents and my relationship with them.

I have been contacted not by the 20,000 names on my database of people for whom we have been providing help, but by the people who help them—those who look to family proceedings and the care of children, and who care for those with mental health problems, and the whole range of welfare associations and advice centres. Those workers know from their experience the limits of their own abilities to assist my constituents and, like me, know the limits of my abilities to assist my constituents. It is they who are aware of how much difficulty people will face if the Bill is enacted.

The right hon. Member for Bermondsey and Old Southwark (Simon Hughes) spoke about the telephone gateway. Recently I tried to use uSwitch. I rang it because I accepted the Government's message to switch my energy company. I had all the papers in line as I sat at a desk with a landline. I called up and had a discussion, but when I was asked for my S number, I asked where I was likely to find that in the papers that I had already described. The person at the other end was unable to tell me. That should have been a simple process for a middle-class educated person.

We make e-mail addresses and phone numbers available to constituents, so why, in my constituency and those of the right hon. Gentleman and so many other right hon. and hon. Members, do constituents come to see us in person? The majority of my constituents do not come in person, but the 20, 30 or 40 people at every constituency surgery do not feel able to deal with their problems over the telephone. Although I have extremely experienced and competent caseworkers, with the best will in the world they often have to say to those who call up, "I'm sorry, but I can't get to the bottom of your problem unless you bring me the paperwork, and I see you face to face."

Simon Hughes: I want to endorse one point, and to amplify it. I gave an example of someone from abroad, but in my experience, even people who were born and brought up here and have spent all their life here often need two, three or four visits before we can sort out what the issues are and get them on their way. It is not one-off bits of advice that they need.

Joan Ruddock: The right hon. Gentleman is absolutely right. This is key to the service that we provide as Members of Parliament. I know that Government Members have argued that we should not provide these services for our constituents, but I believe that we should, and I want to continue to do so.

Sometimes a vulnerable, sick and disabled person who has been wrongly deprived of sickness or disability benefits comes to me. I can say, "This should happen," "That should happen," "Yes, there ought to be a review," or, "There ought to be an appeal." However, I cannot assemble the evidence with that person. I do not have people with many hours to spend on each individual case who can put together the paperwork and the arguments and do the research. At the end of the day, that expert job is done by an advice person in an agency, who will refer the person to a solicitor, who will provide them with legal aid—or we might refer them directly. That service is absolutely vital, and if the person does not have it, they are totally denied justice.

Jim Shannon (Strangford) (DUP): Is the right hon. Lady aware of any incidents of people coming in with multiple issues, some of which will qualify for legal aid and some of which will not, but they are intertwined because of the person's situation? Does she think that clarification is needed within the legal aid system in order to have all those issues dealt with rather than excluding some of them?

Joan Ruddock: I certainly do, but of course the challenge for us now is not to be able to make things better but to try to save things from getting so much worse. That is the difficult situation that we are in.

There are tenants who are undoubtedly unfairly deprived of housing benefit, and home owners who are unfairly deprived of help with mortgage interest payments. They can get no assistance in the Government's new system. In cases of housing disrepair I can write to the council or to the housing association, and very often I can get a remedy with my own resources and caseworkers. Every so often, though, there is a blank refusal by the council to deal with situations involving property that I deem unfit for human habitation, and I cannot persuade it otherwise because of the vast amounts of money involved or the difficulties of transferring people when it has tens of thousands on its waiting list. At that point a legal challenge is necessary—and that is what will be denied people in future.

Glenda Jackson: I am sure that in my right hon. Friend's constituency, as in mine, there is also the increasing problem of absentee landlords in the private sector who hand over the management of their properties to a managing agent, when often there is no management at all. It is virtually impossible for the individual who is suffering to try to pin down those people's legal responsibilities without some kind of knowledge and support.

Joan Ruddock: I could not agree more. That is so often the case, and often only the threat of legal action can even get us to the point of knowing who we are trying to deal with. That is an essential point.

Then there are those who are unlawfully evicted, and also those who may even be lawfully evicted, but could not or should not be evicted if they had an opportunity to contest the eviction. This morning we had a call from a family of five with the bailiffs at the door. If it had been a couple of days earlier, they could have been sent to a solicitor. We know about the case now, and the eviction could have been challenged. The family could have been kept in that home, although they would have had to be put under a stringent regime of dealing with their financial difficulties, which came about because things had gone wrong with their housing benefit. In future, they would not be able to get the assistance that they so badly needed, and they would therefore, as now, present themselves and cost the state a lot more money, if they could get the help at all.

Then there are the workers who are dismissed and found possibly to have a case for unfair dismissal. Under the Government's proposals, they could get assistance only if they were able to claim discrimination. My constituency is hugely multicultural. Will people have to be told, "Can you possibly dress this up as discrimination, so that you can get the legal assistance that you will otherwise be denied"? We do not want to have to go down that path.

4.15 pm

This will be a terrible disaster for my constituents. The constituents of the Under-Secretary of State for Justice, the hon. Member for Huntingdon (Mr Djanogly) may be more privileged than mine are. They may not need this kind of assistance, and he may not have surgeries bursting with constituents with problems. He may not receive the same number of e-mails, telephone calls and letters—*[Interruption.]* He smiles. Perhaps he would like to say—

Karl Turner: He thinks it's funny. It's disgusting. It's a disgrace.

Mr Deputy Speaker (Mr Nigel Evans): Order.

Joan Ruddock: There are real differences, I should tell the Minister. If he does not understand indices of deprivation, or the differences between constituencies in this country, I really do not think that he is fit for ministerial office.

Let me end by citing two other types of case, to which I hope that the Minister will listen carefully. I have a constituent whose sister died in Africa. Her young child was brought to Britain with a visitor, and he stayed here because his aunt is the only person who is prepared to take care of him. Lewisham social services want to see that child legally adopted, and the Government are very keen on adoption. However, the child has no legal status in this country. Such cases are complicated when it comes to getting all the paperwork together and arguing the case to the immigration authorities, which have already turned down my constituent's case once. That is the kind of case that requires legal assistance.

The second case involves a trafficked woman, and it is one of the worst cases that I have ever had. She was trafficked here as a teenager, was raped repeatedly and gave birth to twins. She has never had her immigration status regularised. She cannot conceivably be sent back to Africa now, having been here for 12 years. These are the kinds of case that will be totally denied justice under the Government's proposals. I appeal to the Minister, on behalf of my constituents and all those who work in advice services in Lewisham and elsewhere, to think again and not just to sit there laughing, as he is at the moment.

Simon Reevell (Dewsbury) (Con): I too should declare an interest, in that I have practised at the criminal Bar since 1990.

I congratulate the Minister on at least having the decency to bring in clause 12 through primary legislation, unlike the previous Government, who sought to bring in such a measure through secondary legislation until they were prevented from doing so by the High Court. I am afraid, however, that that is the limit of my congratulations, because—

Karl Turner: I do not think that what the hon. Gentleman has just said is accurate. The Lord Chancellor has confirmed that the previous Government had no plans to bring in the legislation that the hon. Gentleman has just mentioned.

Simon Reevell: I am grateful to the hon. Gentleman. I will send him a copy of the case.

The clause reveals a lack of understanding of the criminal justice system, and especially of the importance of the timing and purpose of police interviews. The hon. Member for Kingston upon Hull East (Karl Turner) has spoken—perhaps until just recently—with passion about police interviews from a defence perspective, and what he said was right. Just in case the Minister is not swayed by the defence, however, I would ask him also to pause and consider this matter from the perspective of the prosecution.

Police interviews always take place at a time chosen by the prosecuting authorities, and the time is chosen because it is advantageous to them. In complex cases, perhaps involving drugs or organised violence, the police may arrange for simultaneous arrests, not least so that they can try to put the account of one arrested person against that of another, and try to break up those whom they believe to be part of a complicated conspiracy. The timing of the arrest might also be brought forward for the purpose of arranging the interview, in order to prevent a crime, or to protect a witness or a police source.

All that will fail if the arrest has taken place and the person has been brought to the police station for interview, yet nothing happens while their means are picked over and the interviewing officer drinks tea. Evidence could

be lost, co-accused could flee, and witnesses could be harmed. All that will take place in the period allowed for detention, which is slowly being eaten away. The accused will not have details of his means on him. Surely we are not seriously suggesting that armed police who are looking for drugs, blood-stained clothing or weapons will be asked to look for three years' accounts or 12 months' pay slips.

There is a serious point to that. The rapist whom I prosecuted in the summer, who is now serving a seven-year prison sentence, was interviewed at a time that the police chose because it was appropriate for the purposes of their investigation. If they had had to wait while his means were established in order for his legal representation to be provided, it would not have been helpful to their inquiry—it would not have been what they wanted to do, and I am sure it would not have been what the victim of that offence would have wanted them to do.

Mr Robert Buckland (South Swindon) (Con): My hon. Friend makes an absolutely proper set of points, but given the realities of life in the police station, from either a defence or a prosecution point of view, does it not come down to the fact that that is not the time for means-testing? At a later stage—for example, on conviction—a proper account could be made of a guilty person to establish whether they had the means to pay for their legal representation.

Simon Reevell: My hon. Friend is aware from his practice that at the point of conviction the court will consider applications for prosecution costs, which are effectively the costs of bringing the case before the court. There is nothing wrong in principle with somebody who can afford to contribute being invited to do so—"invited" in the firmest sense of the word. However, it is entirely appropriate to have a system that delays the proper prosecution of criminal justice while people's bank accounts are checked to determine whether they qualify for legal aid at the police station. The problem is not only the injustice that might result for the accused, but the frustration that might be caused to those whom we task with investigating crime and prosecuting offenders. The introduction of such a counter-productive measure is in no way excused, in my opinion, by a promise never to use it.

Jeremy Corbyn: I am pleased to be able to contribute briefly to this debate. I am one of a minority of hon. Members in the Chamber who is not legally qualified, but on this occasion I am grateful that so many solicitors and barristers are Members of the House. They have made this a much better debate and brought experience to it. I hope the Minister has listened carefully to what has been said, particularly in relation to the removal of clause 12.

When the House learns from its mistakes, it can introduce much better legislation. I have been here long enough to have gone through the experience of the Guildford Four, the Birmingham Six, Stefan Kiszko and many other appalling miscarriages of justice. It is true that the Police and Criminal Evidence Act 1984 made a big difference and brought about a much fairer system of investigation. However, unfortunately it did not lead to the release of people who were wrongly convicted in Birmingham, which came much later as a result of a huge campaign, which in turn led to establishment of the Criminal Cases Review Commission, which has hopefully reduced the chances of future miscarriages of justice.

My experience and that of many other hon. Members of dealing with immigration cases, miscarriages of justice and many other misfortunes that befall our constituents is that problems often come from the initial point of contact with authority, be that a police or immigration officer, a housing official or someone else. People who are not represented at the initial point of contact when they should be might confess to things that they did not do, suggest they have done things that they could not possibly have done or just become hopelessly confused and accept whatever the official says. How many of our constituents have told us that they have said all kinds of things in good faith to an official, things they clearly did not understand because they were intimidated by the experience? It is at that point that our constituents—all of them—deserve the right of independent legal representation.

The hon. Member for Dewsbury (Simon Reevell) made a good point about the delays that will happen in a police station if clause 12 is operated as drafted. It will be utterly ludicrous if the police arrest somebody and want to interview them, but are unable to get the basic information that they require and so have to keep them at the police station for a long time. That will take up police time and space when releasing the person might be the best course of action, all because there is an argument about whether a solicitor should be available.

On the point about wealthy people getting advice, I am quite sure that Roman Abramovich goes around with the numbers of half a dozen solicitors in his wallet, or at least that his security staff do. I am not particularly worried about the ability of such oligarchs to gain access to lawyers should they fall on the wrong side of the police. I am worried about people who cannot afford to get a solicitor, who do not carry a number with them and who cannot get a duty solicitor because they cannot prove that they are entitled to legal aid. I suggest that the Government should simply accept this point and withdraw clause 12 in its entirety.

I want to make two more quick points about the effect of the trajectory of legal aid. I was concerned about the trajectory of legal aid under the previous Government, as were many Members. The Liberal Democrats used to be concerned, but they have had a damascene conversion. Something far worse is now happening and they support it. When something less bad was happening, they opposed it. I do not know what has happened. Perhaps somebody can explain it to me at another time. I am too simple a soul to understand it.

The changes in legal aid have been devastating for many good solicitors' practices in inner-urban areas. Many have closed in my area because they cannot survive any longer. There is not enough other work so that they can cross-subsidise within the company. I am not sure that that would be a good principle even if they could do it. The shortage of funding for legal advice has hit law centres badly and they are trying hard to survive. As a result, many people who should be legally represented go unrepresented.

I have the utmost time, respect and admiration for Islington law centre, but it is creaking at the seams with the pressure of the work that has fallen to it because of

[Jeremy Corbyn]

the number of solicitors' practices that have closed and the number of people who are in desperate situations and want its help. It is doing its best. It relies heavily on pro bono work and trainee solicitors who work at the law centre as part of their training. That is not a bad thing—in fact, it is a good thing—but the whole system should not rely on pro bono solicitors and on the good will of trainees. I am very grateful to those people, but the system should not rely on them.

Likewise, Islington council, despite the huge problems and pressures it is facing, like every inner-urban area, has to its credit found the time, political determination and resources to open a citizens advice bureau on Upper street, opposite the town hall. It is absolutely packed out, largely dealing with debt advice. A lot of the advice that is given does not require legally qualified people, but can be given by good advisers. However, the resources have to be there to ensure that it happens.

Stephen Lloyd: Does the hon. Gentleman agree that what is proposed by those of us in Parliament who work closely with Citizens Advice would still lead to a reduction in cost from the current £25.5 million to £16.5 million, which as I said earlier is a 40% reduction? Citizens advice bureaux are trying to be productive to ensure that they can retain their funding.

Jeremy Corbyn: Citizens advice bureaux do a fantastic job and they do their best to be as productive as possible. It is hard to measure productivity when one is dealing with advice. It is hard to measure how long it takes to explain to people the seriousness of their situation. As we all know from our advice surgeries, some people get it quickly and others take a long time to understand the reality of their situation. As my right hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) said, it sometimes takes several visits. A solicitor or advice bureau cannot do that; only MPs can do that. That is why we are vulnerable to such visitations every Friday evening, or whenever we hold our advice surgeries.

4.30 pm

The other point I wanted to make is about the effect of these provisions on the legal profession. Like other hon. Members, I visit universities and colleges on occasion, and I meet and talk to students. I meet many enthusiastic young law students who are working hard and doing well. They want to work in criminal law and advice, but they cannot get work in those areas. We are turning out a generation of lawyers who pursue property and commercial cases because that is where the money is, and the criminal law will suffer, along with the rights of the individual. The poorest people in the poorest communities in this country will suffer as a result.

The legal aid changes will lead to an inequality of justice. My right hon. Friend the Member for Lewisham, Deptford made two very important points. The first was about family reunion cases in immigration law. Notwithstanding the problems with the Border and Immigration Agency, there is a cost implication of removing legal aid for family reunion, because it will lead to children being taken into care, more misery for families—sometimes with accompanying abuse—and children under-achieving in school because they are so stressed by being divided from a family in a refugee camp in Kenya, Sudan or the horn of Africa, as is often the case in my constituency. Those children deserve to be represented so that they can have a family around them to give them support.

The second point was about housing. Like every other constituency in London, mine is increasingly dominated by the private rented sector, which is now bigger than the owner-occupier sector and is increasing fast. Tenants face short-term tenure, difficulties with landlords, absentees and problems with repairs, and all the other insecurities involved in such situations, and they need, deserve and should have access to appropriate legal advice to ensure that the law is carried out and they receive the protection that is due to them.

Yes, legal aid is expensive. When it was introduced in the 1940s by the very progressive Labour Government, it was seen as part of the welfare state. The welfare state included social security, housing, health, unemployment benefits and a right to access to justice. I honestly believe that the trend of cuts in legal aid means that universal access to justice is slowly disappearing before our very eyes, and that is wrong.

Yasmin Qureshi (Bolton South East) (Lab): I support everything that my hon. Friend the Member for Hammersmith (Mr Slaughter) said from the Front Bench about the cuts in welfare rights, and I also agree with the comments by my right hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) and my hon. Friend the Member for Islington North (Jeremy Corbyn). I shall not reiterate everything that they said as time is short, but I want to address clause 12 and ask the Minister to remove it from the Bill.

Before I go into the reasoning behind that request, I have a general caveat. What I am about to say is not a criticism of police officers. In all professions and walks of life there are people who do not do their jobs properly and have mala fide motives. Section 52 of PACE, which was introduced in 1984 by a Conservative Government, gave people arrested at a police station the right to see a solicitor of their choosing. As hon. Members may remember, that particular piece of legislation came about because of several riots over the sus laws, and Lord Scarman was asked by the then Government to investigate the cause of those riots.

In those days, under the old sus laws, the police could stop anyone walking on the street without any justification and without having to show reasonable cause. Inevitably, a lot of the people stopped were young men of Afro-Caribbean origin in London and young men from working-class backgrounds in the rest of the country. As a result of Lord Scarman's inquiry and investigation, the then Conservative Government passed that piece of legislation, which, generally, was a good one that brought us up to date with many other countries with similar economies to ours and with what we could call western democratic institutions. We would be hard-pressed to find, in any of those countries, a defendant at a police station being denied the right to free legal advice. Taking away that right will almost put us back three centuries. It is not compatible with modern, 21st-century Britain and its place in the world.

We talk about saving money, but more money is saved when people are advised properly at a police station. I agree with the hon. Member for Dewsbury

(Simon Reevell) and my hon. Friend the Member for Kingston upon Hull East (Karl Turner). From the prosecution and defence perspective, they talked about how such advice should be allowed. As someone who has both prosecuted and defended for the past 20-odd years, I think that access to legal representation at a police station is not only the fair, right and proper thing for a civilised society, such as ours, to do, but in the long term it saves money. It avoids unnecessary not-guilty pleas and saves unnecessary time going to court and prosecuting people. If people are spoken to by a solicitor, often—in most cases, I would say—solicitors advise their clients correctly. In my experience, if there is evidence against clients, the solicitors and lawyers tend to advise people to plead guilty. This proposal, therefore, will not save money, but waste more money. If the argument is about economy, I would have to point out that it is a false economy.

I shall give an example involving the Crown Prosecution Service. Following the Narey review, which looked into why so many cases going to court were leading to acquittals, Crown prosecutors started going into police stations, looking at cases and working with the police in order to speed up the criminal process. As a result of that direct input by lawyers at the beginning of the criminal prosecution system, the number of cases going for not-guilty pleas has been reduced and many more people now plead guilty.

I also want to mention the disclosure system, which was introduced under a fantastic piece of legislation brought in, again, by a Conservative Government—the Criminal Procedure and Investigations Act 1996. Prior to that, we had a system under which some police officers and police forces withheld material evidence in criminal cases, leading to many miscarriages of justice. The new disclosure regime came into being to deal with that and, as a result, everything now has to be disclosed.

Those were Conservative Government policies, which is why I am so surprised that the Government have proposed clause 12. It will not save any money, but there is a more fundamental point. The worst thing that a person can face is being arrested, detained, taken to a police station—often a very hostile environment—and having no one to speak to who understands the procedures. This proposal will remove a fundamental right.

Despite our financial difficulties, we are still a rich nation in comparison with the rest of the world. When I worked for the United Nations Mission in Kosovo, I helped to deal with criminal justice issues, and one of the first things we did when we got the system up and running was to draft—I was involved in it—the regulation of access to a lawyer for a person arrested by the police. That was 11 years ago in a country that had suffered 10 or 12 years of civil unrest. Its institutions were not working properly and it was financially not very solvent, but even there, 11 years ago, this particular provision was brought in because it was recognised that a person who is arrested and taken to a police station must have independent legal advice.

Mr Ward: Does the hon. Lady not think it quite telling that although we had intervention after intervention from those on the Government Benches last night when it was argued that existing legislation allowed action to be taken against squatters, we have had no interventions today to explain why we are wrong about clause 12 or new clause 17, which stands in the name of the hon. Member for Makerfield (Yvonne Fovargue)?

Yasmin Qureshi: I thank the hon. Gentleman for that observation, and I agree with him.

I shall conclude my remarks, because I know that we want to get on to the next piece of business. My fundamental plea is this: please do not take away the right to legal advice at a police station.

Kate Green: I want to ask the Minister two questions about social welfare law. I also feel obliged, even at this late stage in the debate, to speak briefly to the three amendments standing in my name—amendments 69, 70 and 71—which have not yet been debated.

My first question for the Minister follows the sensible remarks of the hon. Member for Eastbourne (Stephen Lloyd) earlier about how the Government are making significant legislative changes to a number of areas in social welfare law. They include some that he mentioned, such as the introduction of the universal credit and the changes to disability living allowance. I would add to that the substantial changes to housing, child maintenance and the immigration system, where I can already report a shortage of supply in my constituency when it comes to accessing good advice. If legal aid is not to be available to take people through what will be a period of incredible complexity and confusion, what discussions has the Minister had with ministerial colleagues in other Departments to ensure adequate provision and funding for people to receive advice, at least in this transitional period? Failing to put that funding in place will cost the Government more rather than less.

My second question for the Minister relates to the additional £20 million of funding that has been made available to support advice agencies—or really, to cope with the loss of legal aid coverage in certain categories of law. That is particularly important in my constituency, because Trafford law centre stands to lose almost all its funding, given that it is currently funded by an immigration contract and an employment contract, both of which will go. It also receives Equality and Human Rights Commission funding, which is due to end, with a small and diminishing proportion of its funding coming from the local authority. Can the Minister tell us a bit more about the £20 million fund, which my law centre is understandably interested in, but which it rather suspects has already been earmarked to support agencies elsewhere? Is it a one-off fund or will it be available in future years? What is the process for deciding how the money will be disbursed?

Finally, my amendments 69, 70 and 71 deal with the transfer of Legal Services Commission staff to the civil service, which the Minister spoke about in his opening remarks this afternoon. My understanding is that the Bill is proceeding on the assumption that TUPE will not apply to the transfer. Of course, only the courts can finally determine whether that is the case, but in any event, the Bill should proceed on the basis that transferring employees will have at least the same protection that would apply if TUPE applied. In any event, what should apply is the Cabinet Office statement of practice on staff transfers in the public sector, paragraph 19 of which says that

"transfers at the instigation and under the control of Central Government will usually be effected through legislation,"—

[Kate Green]

as is true in this case—

"in particular those involving Officeholders. Provision can then be made for staff to transfer on TUPE terms irrespective of whether the transfer is excluded from the scope of the Directive implemented by TUPE. Departments must therefore ensure that legislation effecting transfers of functions between public sector bodies makes provision for staff to transfer and on a basis that follows the principles of TUPE along with appropriate arrangements to protect occupational pension, redundancy and severance terms."

I was grateful for the assurances that the Minister offered this afternoon on some of those points, and I understand that transferring employees will be offered membership of the premium section of the principal civil service pension scheme. I accept that that is at least as favourable as the Legal Services Commission's own pension arrangements. The terms on which members of the LSC scheme can transfer their accrued rights to the civil service pension scheme will no doubt be set out in the transfer scheme contemplated in schedule 4. Will the Minister confirm that my understanding of the position is correct?

4.45 pm

If the TUPE regulations and the acquired rights directive that lies behind them apply, the current early retirement and severance arrangements that apply to LSC employees would continue to apply to them post-transfer. That is what the TUPE regulations and the directive require, and those arrangements provide for the early payment of enhanced pensions if an employee over the age of 50 is made redundant. If the Cabinet Office statement of practice to which I alluded earlier is to be honoured, those rights will continue to apply post-transfer. I would be grateful if the Minister confirmed whether they will. If he cannot do so this afternoon, I would be most grateful if he would write to me on that point.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Exceptionally, to deal with new clauses and amendments not dealt with by Mr Slaughter earlier, I call Jenny Chapman.

Mrs Jenny Chapman (Darlington) (Lab): I speak in support of amendment 116, which would delete clause 12 from the Bill. It is with regret that I will keep my comments extremely brief. Some of the matters discussed today should really have been discussed on Monday. This regret is most keenly felt because the parents of Jane Clough are in the Gallery and had hoped to see us debate changes to bail.

Clause 12, which would allow the Government, based on either a means test or a an interest of justice test, to choose not to provide an arrested person with an independent legal adviser. The powers that the Government seek to gain were not subject to consultation and have generated significant controversy. It is not just Labour that opposes this clause. Members of all parties oppose it. The right hon. Member for Dwyfor Meirionnydd (Mr Llwyd) spoke eloquently against it in Committee and again today. Others who have spoken against it include my hon. Friends the Members for Bolton South East (Yasmin Qureshi), for Islington North (Jeremy Corbyn) and for Kingston upon Hull East (Karl Turner), and the hon. Members for Ipswich (Ben Gummer), for Dewsbury (Simon Reevell), for Edinburgh West (Mike Crockart), and the right hon. Members for Carshalton and Wallington (Tom Brake) and for Bermondsey and Old Southwark (Simon Hughes). Some Tory Back Benchers have told us that they, too, oppose it. The Liberal Democrats have signed the amendment, for which we are grateful.

On this issue, however, the Minister appears to be against the clause. He said to the legal action group conference:

"I am pleased to say we have no intention to take legal help away from the police station."

It appears, however, that the Secretary of State for Justice is embarrassed by that. He tried to blame it on Labour, saying that it was one of our proposals. A few weeks later, after the bemused Labour Front-Bench team checked with the House of Commons Library, the Secretary of State's spokesman issued the following statement:

"The remark was made in error by the Justice Secretary during the Second Reading debate. The provisions in clause 12(3)(a) and (b) are new and, so far as I know, there have not been similar provisions in any previous Bills that did not pass into legislation."

What a shambles—but there is more!

In the Public Bill Committee, the Under-Secretary of State for Justice, the hon. Member for Huntingdon (Mr Djanogly) subsequently said:

"My opinion is that as things stand, the practicalities are the greatest stumbling block, and costs could be significant."—[*Official Report, Legal Aid, Sentencing and Punishment of Offenders Public Bill Committee,* 8 September 2011; c. 437.]

This might well be the first time a Minister has argued against his own legislation while seeking to enact it.

There was a time when people did not have access to a lawyer on arrest. Injustice after injustice propelled Parliament into action. It was, in fact, the previous Conservative Government—one who included the right hon. and learned Member for Rushcliffe (Mr Clarke)—who enacted the Police and Criminal Evidence Act 1984, which for the first time provided a suspect in police custody with a statutory right to legal advice. A textbook on police law explains:

"By section 58 of PACE, a person arrested and held in police custody is entitled, if he so requests, to consult a solicitor privately at any time."

I am deeply concerned. In Committee, the Minister—whose conflicts of opinion match his alleged conflicts of interest—changed his mind again. Having said earlier

"I am pleased to say we have no intention to take away legal help from the police station",

he said in Committee:

"I am not asking the Committee's permission to implement means-testing. I am asking for permission to introduce flexibility into the Bill, so that at a later stage it could be considered, subject to full consultation."—[*Official Report, Legal Aid, Sentencing and Punishment of Offenders Public Bill Committee,* 8 September 2011; c. 436.]

We know what the Government's consultations are like. There were 5,000 responses to their consultation on legal aid, and they ignored them all.

At present, police station advice is provided free to anyone who is arrested. What takes place in the police station often determines how the case will proceed, and whether or not the police decide to lay charges.

Ian Mearns (Gateshead) (Lab): I congratulate my hon. Friend on her speech so far. Does she agree that the Government are being penny wise and pound foolish? Their proposals present the prospect of many miscarriages of justice, which could ultimately prove very costly for them to sort out.

Mrs Chapman: I could not have put it better myself.

It is essential for people who are detained in police custody to have access to free, independent legal advice, not only because they are at their most vulnerable and because evidence obtained from people in custody may be inadmissible if they have not had access to independent legal advice, but because the presence of a solicitor makes a significant difference to the fairness of the investigation and the subsequent smooth progress of the case. It would therefore be utterly inappropriate to introduce a merit test that goes beyond the fact of arrest.

As for a means test, it would in practice deprive many people who failed it of their right to a lawyer, as they would not feel able to afford to pay privately. However, that is not the only reason for not introducing such a test. Applying it would inevitably introduce delay in the process and prevent the police from proceeding as quickly as they would wish. Clients who are in police custody will not have access to documents with which to verify their entitlements, and clients who do not pass the means test are in no position to instruct the solicitor of their choice on a private basis, because they cannot pick and choose and cannot argue about terms and conditions. In short, they will be completely disfranchised, and in the most terrifying position in which the average citizen can find himself.

It should be clear by now that we oppose the new clause. It is no good hoping and praying, as the Liberal Democrats keep doing, that it will be repealed in another place. I urge all Members to join us in the Lobby when we press it to a vote—unless, of course, the Minister has the sense to withdraw it.

Mr Djanogly: I welcome the hon. Member for Darlington (Mrs Chapman) on the occasion of her first outing at the Dispatch Box.

Most of what was said by the hon. Member for Hammersmith (Mr Slaughter) concerned the scope of civil legal aid, and was therefore not directly covered by the new clauses and amendments. It would have been good if he had discussed all the amendments that he had tabled, but he could not even do that. However, he certainly showed us once again that he knows how to spend taxpayers' money, but not how to save it. He mentioned only one saving, when he said that he would have proceeded with criminal contract competition to save money rather than cutting social welfare law. Criminal competition in line with Labour's model would have secured a very small reduction in the £180 million spent on police station advice—a reduction of only about 10%—which is not really enough. The hon. Gentleman will have to say where else he would make cuts. When Labour tried to address contracting, it failed, and it had to pull its contracting proposals in 2009.

Amendment 123, to which the hon. Member for Hammersmith spoke, is intended to alter the provisions in relation to the independence of the director of legal aid casework. That subject was debated substantially in Committee, but having heard the hon. Gentleman speak about it again, I still fail to understand the rationale behind the amendment, and, as I will explain, I consider it unnecessary. Let me briefly explain the role and key functions of the director, and also explain why I believe that independence is important and why it is already enshrined in the Bill.

Under the provisions, the Lord Chancellor is obliged to appoint a civil servant as a statutory office holder who will be responsible for making funding decisions in individual cases, as well as funding decisions in relation to exceptional case applications under the Bill. The statutory office holder is to be known as the director of legal aid casework. The Lord Chancellor is also obliged to provide civil servants to assist the director in carrying out their functions.

Under the new structural arrangements, clause 4 is potentially the most important provision. It ensures that the director has independence in making funding decisions, and is free from any political interference in making those decisions. That independence is enshrined specifically by subsection (4), which the hon. Member for Hammersmith wishes to delete, and which prohibits the Lord Chancellor from giving guidance or directions in individual cases. There are provisions in the clause that oblige the director to comply with directions given by the Lord Chancellor and to have regard to guidance issued by the Lord Chancellor, but crucially they cannot relate to individual cases.

The protection of the director against interference in individual cases is an important safeguard. The Bill already establishes the director in a way that maintains and protects the director's independence of decision making. The director is a separate office from the Lord Chancellor created by statute. I therefore believe that the Bill already establishes a proper role for the director, free from any political interference in individual cases. I therefore urge the hon. Gentleman to withdraw the amendment.

Mr Llwyd: Will the Minister give way?

Mr Djanogly: I am sorry, but I do not have time to take interventions.

Mr Llwyd *rose—*

Mr Djanogly: No, I will not give way.

Mr Llwyd: On a point of order, Mr Deputy Speaker. I want to ask the Minister whether progress has been made on introducing a clause that would allow an appeal against the granting of bail. A concession was given in Committee, and several Members have tabled amendments, but we will not reach them today. Will the Minister update us?

Mr Djanogly: I would dearly have loved to reach the provisions relating to bail, and I think the right hon. Gentleman should ask the official Opposition why we have not done so.

Mr Deputy Speaker (Mr Nigel Evans): Order. Clearly, that was not a point of order, and the Minister has now dealt with the point raised.

Mr Djanogly: I shall now turn to amendments 69, 70 and 71, tabled by the hon. Member for Stretford and Urmston (Kate Green), which address pensions and compensation.

[Mr Djanogly]

Amendment 69 looks to ensure that Legal Services Commission employees transferring to the civil service are treated fairly. As drafted, the Bill and commitment between the Ministry of Justice and the LSC will achieve that. The Ministry is committed to ensuring that transferring staff are not put in a less favourable position than that of existing civil servants. The Bill protects LSC employees' terms and conditions at the point of transfer, with the exception of those for pensions and compensation. The Bill also protects employees' length of service.

When LSC employees transfer to the civil service, they will be enrolled as members of the premium section of the principal civil service pension scheme. The Government Actuary's Department has determined that that scheme is "broadly comparable" to the existing LSC pension offer. Broad comparability is the standard defined by the Cabinet Office for the pension offer for staff transferred to organisations within the public sector. LSC staff will be able to choose whether to move any entitlement built up in the LSC scheme to the civil service pension scheme, or whether to leave it within the LSC scheme. Those arrangements have been communicated to LSC employees and their representatives. I will write to the hon. Lady on the TUPE point.

New clause 17 was moved by the hon. Member for Makerfield (Yvonne Fovargue). Her significant experience in the field became clear, as it also did in Committee. Many Members spoke to the new clause, including the hon. Members for Bolton South East (Yasmin Qureshi), for Islington North (Jeremy Corbyn) and for Walsall South (Valerie Vaz), the right hon. Member for Lewisham, Deptford (Joan Ruddock), my hon. Friends the Members for Eastbourne (Stephen Lloyd) and for Bradford East (Mr Ward) and my right hon. Friend the Member for Carshalton and Wallington (Tom Brake).

The new clause is very broad and would widen the scope of legal aid and increase its cost at a time when we are seeking to focus funding on the highest priority cases. It would have the effect of bringing into scope areas which are not covered in schedule 1—and which we intend no longer to fund—by virtue of their interconnected and complex nature. We have undertaken a comprehensive consultation on legal aid with published impact and equality assessments, and we have received almost 5,000 responses. As my right hon. Friend the Member for Carshalton and Wallington pointed out, cases will arise where it will be difficult to separate two or more legal issues in terms of funding. Under the current legal aid scheme, there are provisions in the funding code to cover mixed cases, where the case is partly in and partly out of scope. Those provisions allow funding of the whole case in certain circumstances, and in others they allow funding for aspects of the case. I am pleased to confirm to my right hon. Friend that paragraph 39 of schedule 1 ensures similar appropriate provision in the new scheme. We consider that that approach provides a more proportionate means of dealing with interconnected matters than the new clause proposed by the hon. Member for Makerfield.

5 pm

Leaving aside the technicalities, I appreciate that various right hon. and hon. Members have used the new clause as a hook to debate admittedly important issues on the scope of social welfare law and legal aid. As anyone who attended the Committee will know, that area was of significant concern to all hon. Members, not only as a stand-alone issue, but in its interaction with the not-for-profit provision. The Government have already made a number of changes to our proposals in the area of social welfare law following consultation, which shows that we are aware of concerns and have been listening. Those changes include: retaining special educational needs cases; expanding the range of debt matters; and retaining unlawful eviction cases in scope. We will also still be spending £50 million on social welfare law post-reforms. I shall address the not-for-profit sector, but I take this opportunity to assure hon. Members that, as this Bill heads to the other place, we will continue to listen and engage on this important issue. For the reasons I have given, therefore, I urge the hon. Lady not to press her new clause to a Division.

On not-for-profit organisations, I wish to address points made by the hon. Member for Makerfield, my right hon. Friend the Member for Carshalton and Wallington, the hon. Members for Bradford East and for Walsall South, and the right hon. Member for Bermondsey and Old Southwark (Simon Hughes). In order to do so, I shall speak to the new clause tabled by the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards), although it should be noted that it was debated in Committee and his amendment 162 also covers ground debated then.

The primary purpose of new clause 43, as in subsection (1), is to enable funding to be made available for advice on areas of law that would otherwise have been taken out of scope. However, the important qualification to that is in the definitional provision in subsection (5), which specifies that "civil legal advice" does not include representation for the purposes of proceedings. As such, the provision is limited to the "legal help" level of service, which encompasses the range of early advice offered, in particular, by the not-for-profit sector. Amendment 162 is very similar in nature and seeks to provide funding for out of scope areas under schedule 1 at the "legal help" level.

New clause 43 and amendment 162 are unnecessary. Let me start by reiterating my statements from Committee, where I said clearly that I greatly admire the work of the UK's not-for-profit advice centres and recognise that they are an important national asset. I can tell the right hon. Member for Lewisham, Deptford that I very much value the advice they provide to my constituents, and I am sure that all hon. Members feel similarly. Throughout all the parliamentary debates thus far on changes to legal aid, the value and esteem that MPs and local communities place on their local advice centres has been made very clear.

In that context, I would like to deal head-on with the issue that hon. Members have raised about the provision of early advice. Let me make it clear that, as I said in Committee, I strongly agree with the argument that many people with disputes or grievances need early, good-quality general advice, and not necessarily the expertise of specialist lawyers. I acknowledge hon. Members' points and intuitively I agree with the hon. Member for Makerfield that some early advice may well have a preventive benefit in avoiding downstream costs. However, changes to legal aid should not of themselves undermine the provision of general advice. As a matter of principle,

legal aid is money that has been intended for specialist advice, not for cross-subsidising other activities, as the amendments appear to provide for. I say to the hon. Member for Hampstead and Kilburn (Glenda Jackson) that, as a matter of practice, legal aid represents only one of several income streams for many organisations. For example, 85% of citizens advice bureaux funding comes from other sources, with half of all bureaux getting no legal aid funding whatsoever.

The Government share the views raised by hon. Members and want to see a robust and sustainable not-for-profit advice sector. We have heard and considered carefully the concerns about the risks that a combination of funding changes presents, and we intend to keep the conversation with the advice sector going. The hon. Member for Stretford and Urmston (Kate Green) asked about this area, and I can tell her that the £107 million transition fund made available last December is testament to a pan-government commitment to general, practical advice that empowers individuals in resolving their issues.

In addition, the Lord Chancellor announced £20 million for this financial year to support not-for-profit agencies delivering front-line services. Both citizens advice bureaux and advice centres more widely will be able to bid for that. Work between Departments on the administration of the fund is proceeding well. I hope and expect that the Cabinet Office will make an announcement shortly to provide the detailed terms of the fund. A review of free advice centres will be launched to ensure that we are doing all we can to support the sector. The review will start in early November and conclude early in the new year. It will look at the future funding for these services and likely levels of demand, and will focus on what Government can do to help the sector.

My right hon. Friends the Members for Bermondsey and Old Southwark and for Carshalton and Wallington and my hon. Friend the Member for Eastbourne all spoke about help for complicated benefits advice. They will appreciate that that is very much to do with identifying what should be dealt with as legal advice and what should be dealt with as early general advice. It is this type of issue that the review will need to cover, so yes, we will be looking carefully at these issues not again, but on an ongoing basis.

Subsection (2) of new clause 43 seeks to provide the Lord Chancellor with a power to enter into arrangements regarding the funding and delivery of services, and specifies the nature of the funding arrangements that the Lord Chancellor may enter into. This is an unnecessary amendment because the Lord Chancellor enjoys wide powers to enter into any arrangements under clause 2, pursuant to his duty to provide legal aid under clause 1. I therefore urge the hon. Member for Carmarthen East and Dinefwr to withdraw his amendments.

Let me agree with my right hon. Friend the Member for Berwick-upon-Tweed (Sir Alan Beith)—my right hon. Friend the Member for Carshalton and Wallington, and the hon. Members for Hammersmith and for Makerfield made the same sort of points—that the Departments of State need to make better decisions at an earlier stage, leading to fewer appeals. I can tell hon. Members that I have been working closely with Ministers in the relevant Departments to that end and I will continue to do so.

The hon. Member for Walsall South said that she was concerned about the removal of education. I can confirm that we will now retain legal aid for special educational needs and discrimination matters relating to the contravention of the Equality Act 2010.

The hon. Members for Hammersmith and for Makerfield spoke about welfare benefits law being complex and asked how claimants could prepare their own tribunal applications. In most cases individuals will be able to appeal to the first tier social security and child support tribunal without formal legal assistance. The appellant is required only to provide reasons for disagreeing with the decision in plain language. According to the 2007-08 report by the president of the tribunal, it is a regular theme at the tribunal that DWP decisions are most commonly overturned because the tribunal elicits additional information from the appellant, rather than through legal arguments. So success is clearly not generally dependent on the appellant receiving legal advice.

Finally, on clause 12, many points were made by my hon. Friend the Member for Edinburgh West (Mike Crockart), my right hon. Friend the Member for Carshalton and Wallington, the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd), the hon. Member for Kingston upon Hull East (Karl Turner), my hon. Friend the Member for Ipswich (Ben Gummer), my right hon. Friend the Member for Bermondsey and Old Southwark, my hon. Friend the Member for Dewsbury (Simon Reevell), and the hon. Members for Islington North and for Bolton South East. The final series of amendments—90, 104, 116, 125 and 148—seek to amend clause 12, which deals with legal aid determination for individuals arrested and held in custody in a police station or other premises.

I should point out to my hon. Friend the Member for Edinburgh West and the hon. Member for Darlington who spoke to the amendment that amendment 116 would remove clause 12 entirely, which would mean that the Bill would make no provision at all for individuals held in custody at a police station or other premises to be provided with initial advice and initial assistance. Surely that is not the hon. Lady's or any other hon. Member's intention. She may therefore wish to reconsider whether a Division is appropriate on the amendment.

Many right hon. and hon. Members made serious and appropriate points. Having heard what has been said and having considered the issue, I appreciate that there are many deeply held concerns across the House and more widely on both the principle and the practicality of means-testing for advice and assistance for those in police custody and in relation to the concept of contingent legislation, as my hon. Friend the Member for Ipswich said. I can confirm that we will, therefore, carefully review our approach to these clause issues as the Bill goes through its stages in another place.

Karl Turner: On a point of order, Mr Deputy Speaker. The hon. Member for Dewsbury (Simon Reevell) referred in his remarks to claims that the previous Government planned to legislate for means-testing in police stations. The Lord Chancellor wrote to my right hon. Friend the shadow Secretary of State on 2 August. Will the Government confirm that he wrote to apologise and that the letter will appear in the Library?

Mr Deputy Speaker (Mr Lindsay Hoyle): That is not a point of order, but the hon. Gentleman has certainly got it on the record.

Question put and agreed to.

New clause 4 accordingly read a Second time, and added to the Bill.

New Clause 9

NORTHERN IRELAND: INFORMATION ABOUT FINANCIAL RESOURCES

'Schedule [Northern Ireland: information about financial resources] (Northern Ireland: information about financial resources) has effect.'.—*(Mr Djanogly.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 17

EXTENSION OF SCOPE OF LEGAL AID IN COMPLEX CASES

'(1) Civil legal services other than services described in Part 1 of Schedule 1 are to be available to an individual under this Part if subsection (2) is satisfied.

(2) This subsection is satisfied where the Director—

(a) has made a complex case determination in relation to the individual and the services, and

(b) has determined that the individual qualifies for the services in accordance with this Part,

(and has not withdrawn either determination).

(3) For the purposes of subsection (2), a complex case determination is a determination—

(a) that the individual has complex, interconnected needs in relation to which the individual requires comprehensive civil legal services, and

(b) not all of those civil legal services would otherwise be available to the individual because they do not all fall within the scope of Schedule 1.'.—*(Yvonne Fovargue.)*

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The House divided: Ayes 238, Noes 301.

Division No. 387] **[5.11 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brake, rh Tom
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Crockart, Mike
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
George, Andrew
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Havard, Mr Dai
Healey, rh John
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Horwood, Martin
Howarth, rh Mr George
Hughes, rh Simon
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Stephen
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Mulholland, Greg
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby

Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Swales, Ian
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Ward, Mr David
Watson, Mr Tom
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Nic Dakin and Mark Hendrick

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, James
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Gale, Mr Roger
Garnier, Mr Edward
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Graham, Richard
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Huhne, rh Chris
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon

Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mark Hunter and Jeremy Wright

Question accordingly negatived.

New Schedule 3

'NORTHERN IRELAND: INFORMATION ABOUT FINANCIAL RESOURCES

Obtaining information

1 (1) The relevant authority may make an information request to—

(a) the Secretary of State,

(b) a relevant Northern Ireland Department, or

(c) the Commissioners for Her Majesty's Revenue and Customs ("the Commissioners").

(2) An information request may be made under this paragraph only for the purposes of facilitating a determination about an individual's financial resources for the purposes of —

(a) the Legal Aid, Advice and Assistance (Northern Ireland) Order 1981 (S.I. 1981/228 (N.I. 8)), or

(b) the Access to Justice (Northern Ireland) Order 2003 (S.I. 2003/435) (N.I. 10)).

(3) An information request made to the Secretary of State or a relevant Northern Ireland Department under this paragraph may request the disclosure of some or all of the following information—

(a) a relevant individual's full name and any previous names;

(b) a relevant individual's address and any previous addresses;

(c) a relevant individual's date of birth;

(d) a relevant individual's national insurance number;

(e) a relevant individual's benefit status at a time specified in the request;

(f) information of a prescribed description.

(4) An information request made to the Commissioners under this paragraph may request the disclosure of some or all of the following information—

(a) whether or not a relevant individual is employed or was employed at a time specified in the request;

(b) the name and address of the employer;

(c) whether or not a relevant individual is carrying on a business, trade or profession or was doing so at a time specified in the request;

(d) the name under which it is or was carried on;

(e) the address of any premises used for the purposes of carrying it on;

(f) a relevant individual's national insurance number;

(g) a relevant individual's benefit status at a time specified in the request;

(h) information of a prescribed description.

(5) The information that may be prescribed under sub-paragraphs (3)(f) and (4)(h) includes, in particular, information relating to—

(a) prescribed income of a relevant individual for a prescribed period, and

(b) prescribed capital of a relevant individual.

(6) Information may not be prescribed under sub-paragraph (4)(h) without the Commissioners' consent.

(7) The Secretary of State, the relevant Northern Ireland Departments and the Commissioners may disclose to the relevant authority information specified in an information request made under this paragraph.

(8) In this paragraph—

"benefit status", in relation to an individual, means whether or not the individual is in receipt of a prescribed benefit or benefits and, if so—

(a) which benefit or benefits the individual is receiving,

(b) whether the individual is entitled to the benefit or benefits alone or jointly,

(c) in prescribed cases, the amount the individual is receiving by way of the benefit (or each of the benefits) ("the benefit amount"), and

(d) in prescribed cases, where the benefit consists of a number of elements, what those elements are and the amount included in respect of each element in calculating the benefit amount;

"financial resources", in relation to an individual, includes an individual's means, disposable income and disposable capital;

"the relevant authority" means—

(a) a prescribed person, or

(b) in relation to circumstances for which no person is prescribed, the chief executive of the Northern Ireland Legal Services Commission;

"a relevant individual", in relation to an information request under this paragraph for the purposes of a determination about an individual's financial resources, means—

(a) that individual, and

(b) any other individual whose financial resources are or may be relevant for the purposes of the determination;

"relevant Northern Ireland Department" means the Department for Social Development in Northern Ireland or the Department of Finance and Personnel in Northern Ireland.

Restrictions on disclosing information

2 (1) A person to whom information is disclosed under paragraph 1 of this Schedule or this sub-paragraph may disclose the information to any person to whom its disclosure is necessary or expedient in connection with facilitating a determination described in paragraph 1(2).

(2) A person to whom such information is disclosed must not—

(a) disclose the information other than in accordance with sub-paragraph (1), or

(b) use the information other than for the purpose of facilitating a determination described in paragraph 1(2).

(3) Sub-paragraph (2) does not prevent—

(a) the disclosure of information in accordance with an enactment or an order of a court,

(b) the disclosure of information for the purposes of the investigation or prosecution of an offence (or suspected offence) under the law of England and Wales or Northern Ireland or any other jurisdiction, except as otherwise prescribed,

(c) the disclosure of information for the purposes of instituting, or otherwise for the purposes of, proceedings before a court, or

(d) the disclosure of information which has previously been lawfully disclosed to the public.

(4) A person who discloses or uses information in contravention of this paragraph is guilty of an offence and liable—

(a) on conviction on indictment, to imprisonment for a term not exceeding 2 years or a fine (or both);

(b) on summary conviction—

(i) in England and Wales, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both), and

(ii) in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both).

(5) It is a defence for a person charged with an offence under this paragraph to prove that the person reasonably believed that the disclosure or use was lawful.

(6) In this paragraph "enactment" includes—

(a) an enactment contained subordinate legislation (within the meaning of the Interpretation Act 1978), and

(b) an enactment contained in, or in an instrument made under, an Act or Measure of the National Assembly for Wales or Northern Ireland legislation.

(7) In relation to an offence under this paragraph committed before the commencement of section 154(1) of the Criminal Justice Act 2003, the reference in sub-paragraph (4)(b)(i) to 12 months has effect as if it were a reference to 6 months.

Power to make consequential and supplementary provision etc

3 (1) The Department of Justice in Northern Ireland may by regulations make consequential, supplementary, incidental or transitional provision in relation to this Schedule extending to Northern Ireland.

(2) The regulations may, in particular—

(a) amend, repeal, revoke or otherwise modify Northern Ireland legislation passed before this Schedule comes into force or an instrument made under such legislation, and

(b) include transitory or saving provision.

Regulations

4 (1) In this Schedule "prescribed" means prescribed by regulations made by the Department of Justice in Northern Ireland.

(2) The powers under this Schedule to make regulations are exercisable by statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979 (S.I. 1979/1573 (N.I. 12)).

(3) Regulations under this Schedule are subject to negative resolution within the meaning of section 41(6) of the Interpretation Act (Northern Ireland) 1954, subject to sub-paragraph (4).

(4) The following regulations may not be made unless a draft of the regulations has been laid before, and approved by a resolution of, the Northern Ireland Assembly—

(a) the first regulations under paragraph 1, and

(b) regulations under paragraph 3 that amend or repeal Northern Ireland legislation (whether alone or with other provision).

(5) Section 41(3) of the Interpretation Act (Northern Ireland) 1954 applies for the purposes of sub-paragraph (4) in relation to the laying of a draft as it applies in relation to the laying of a statutory document under an enactment (as defined in that Act).

(6) Subsections (1) to (3) of section 38 apply in relation to regulations made under paragraph 1 or 2 of this Schedule as they apply in relation to regulations made by the Lord Chancellor under this Part.'.—*(Mr Djanogly.)*

Brought up, read the First and Second time, and added to the Bill.

Clause 12

ADVICE AND ASSISTANCE FOR INDIVIDUALS IN CUSTODY

Amendment proposed: 116, page 8, line 29, leave out Clause 12.—*(Mr Slaughter.)*

Question put, That the amendment be made.

The House divided: Ayes 233, Noes 298.

Division No. 388] **[5.25 pm**

AYES

Abbott, Ms Diane	Caton, Martin
Abrahams, Debbie	Chapman, Mrs Jenny
Ainsworth, rh Mr Bob	Clark, Katy
Alexander, rh Mr Douglas	Clarke, rh Mr Tom
Alexander, Heidi	Coffey, Ann
Ali, Rushanara	Connarty, Michael
Ashworth, Jonathan	Cooper, Rosie
Austin, Ian	Cooper, rh Yvette
Bailey, Mr Adrian	Corbyn, Jeremy
Bain, Mr William	Crausby, Mr David
Balls, rh Ed	Creagh, Mary
Banks, Gordon	Creasy, Stella
Barron, rh Mr Kevin	Cruddas, Jon
Beckett, rh Margaret	Cryer, John
Begg, Dame Anne	Cunningham, Alex
Benn, rh Hilary	Cunningham, Mr Jim
Berger, Luciana	Cunningham, Tony
Betts, Mr Clive	Curran, Margaret
Blackman-Woods, Roberta	Danczuk, Simon
Blears, rh Hazel	David, Mr Wayne
Blenkinsop, Tom	Davidson, Mr Ian
Blomfield, Paul	Davies, Geraint
Blunkett, rh Mr David	De Piero, Gloria
Bradshaw, rh Mr Ben	Dobbin, Jim
Brennan, Kevin	Dobson, rh Frank
Brown, Lyn	Docherty, Thomas
Brown, rh Mr Nicholas	Dodds, rh Mr Nigel
Brown, Mr Russell	Donohoe, Mr Brian H.
Bryant, Chris	Doran, Mr Frank
Buck, Ms Karen	Dowd, Jim
Burden, Richard	Doyle, Gemma
Burnham, rh Andy	Dugher, Michael
Byrne, rh Mr Liam	Eagle, Ms Angela
Campbell, Mr Alan	Eagle, Maria
Campbell, Mr Ronnie	Edwards, Jonathan

Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
George, Andrew
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Havard, Mr Dai
Healey, rh John
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leech, Mr John
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Mulholland, Greg
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Swales, Ian
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Ward, Mr David
Watson, Mr Tom
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Nic Dakin and Mark Hendrick

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, James
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mark
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Gale, Mr Roger
Garnier, Mr Edward
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goodwill, Mr Robert
Graham, Richard
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike

Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Huhne, rh Chris
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Prisk, Mr Mark
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, rh Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Roger
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mark Hunter and
Mr Shailesh Vara

Question accordingly negatived.

Clause 32

RESTRICTION ON DISCLOSURE OF INFORMATION ABOUT FINANCIAL RESOURCES

Amendments made: 1, page 24, line 26, after 'conviction', insert '—

(i) in England and Wales, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both), and

(ii) in Northern Ireland'.

Amendment 2, page 24, line 35, at end insert—

'( ) In relation to an offence under this section committed before the commencement of section 154(1) of the Criminal Justice Act 2003, the reference in subsection (4)(b)(i) to 12 months has effect as if it were a reference to 6 months.'.—*(Mr Djanogly.)*

Clause 38

ORDERS, REGULATIONS AND DIRECTIONS

Amendment made: 25, page 28, line 18, leave out 'modify' and insert 'amend or repeal a provision of'.—*(Mr Djanogly.)*

Clause 39

INTERPRETATION

Amendments made: 26, page 28, line 35, after 'regulations' insert '(except in Schedule [*Northern Ireland: information about financial resources*])'.

Amendment 27, page 28, line 37 [Clause 39], at end insert '(except in Schedule [*Northern Ireland: information about financial resources*])'.—*(Mr Djanogly.)*

Schedule 4

TRANSFER OF EMPLOYEES AND PROPERTY ETC OF LEGAL SERVICES COMMISSION

Amendments made: 64, page 131, line 8, at end insert—

'(6A) A transfer scheme may, so far as is necessary for giving effect to that scheme, provide that an enactment that applies in relation to compensation schemes or occupational pension schemes applies to a compensation scheme or occupational pension scheme that is the subject of the transfer scheme, the members of such a scheme or the transferee with modifications specified in the transfer scheme.

(6B) A transfer scheme may—

(a) amend or otherwise modify a compensation scheme that is the subject of the transfer scheme, and

(b) create, modify or remove rights, powers, duties or liabilities under or in connection with such a scheme.

(6C) The power under sub-paragraph (6B) includes power to amend or otherwise modify any instrument relating to the constitution, management or operation of a compensation scheme.

(6D) Transfer schemes amending or otherwise modifying a compensation scheme have effect in spite of any provision (of any nature) which would otherwise prevent or restrict the amendment or modification.

(6E) A transfer scheme may include consequential, incidental, supplementary, transitional, transitory and saving provision.'.

Amendment 65, page 131, line 15, at end insert—

'Power to merge LSC occupational pension schemes

4A (1) The Lord Chancellor may make a scheme providing for the merger of LSC occupational pension schemes.

(2) A scheme under this paragraph may in particular—

(a) provide for the assets and liabilities of one LSC occupational pension scheme to become assets and liabilities of another,

(b) create, modify or remove rights, powers, duties or liabilities under or in connection with an LSC occupational pension scheme,

(c) provide for the winding up of an LSC occupational pension scheme,

(d) provide for references to one LSC occupational pension scheme in a document, including an enactment, to have effect as references to another, and

(e) include consequential, incidental, supplementary, transitional, transitory and saving provision.

(3) A scheme under this paragraph may in particular amend or otherwise modify—

(a) the trust deed of an LSC occupational pension scheme,

(b) rules of an LSC occupational pension scheme, and

(c) any other instrument relating to the constitution, management or operation of an LSC occupational pension scheme.

(4) A scheme under this paragraph must ensure that the merger of the LSC occupational pension schemes does not, to any extent, deprive members of the LSC occupational pension schemes, or other beneficiaries under those schemes, of rights that accrue to them under those schemes before the merger takes effect.

(5) Subject to sub-paragraph (4), a scheme under this paragraph has effect in spite of any provision (of any nature) which would otherwise prevent the merger of the LSC occupational pension schemes.

(6) In this paragraph—

"LSC occupational pension scheme" means an occupational pension scheme under which—

(a) the LSC has rights, powers, duties or liabilities, or

(b) the Lord Chancellor or the Secretary of State has rights, powers, duties or liabilities by virtue of a scheme under paragraph 4(3);

"occupational pension scheme" has the same meaning as in the Pension Schemes Act 1993.'.

Amendment 137, page 133, line 3, leave out 'or transitional' and insert 'transitional, transitory or saving'.

Amendment 66, page 133, line 3, after 'with', insert '—

(a) '.

Amendment 67, page 133, line 4, after 'by', insert 'this Schedule'.

Amendment 68, page 133, line 4, after 'or', insert—

(b) schemes made'.

Amendment 138, page 133, line 7, leave out from 'Schedule' to end of line 8.—*(Mr Djanogly.)*

Schedule 5

CONSEQUENTIAL AMENDMENTS

Amendment made: 19, page 144, line 31, at end insert—

'Criminal Justice Act 2003 (c. 44)	In Schedule 26, paragraph 51.'.

—(Mr Djanogly.)

Clause 41

CONDITIONAL FEE AGREEMENTS: SUCCESS FEES

Mr Slaughter: I beg to move amendment 21, page 29, line 6, leave out Clause 41.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

Amendment 150, page 29, line 36, at end insert—

'(4A) The amendments made by subsections (2) and (4) do not apply in relation to proceedings which include a claim for damages for loss or bodily injury resulting from exposure to a harmful substance or process where the claim is made against a person who—

(a) carries on business in more than one country, or

(b) owns (wholly or partly) one or more businesses carried on in more than one country or in different countries.'.

Amendment 164, page 29, line 36, at end insert—

'(4A) The amendments made by subsections (2) and (4) do not apply in relation to a success fee payable under a conditional fee agreement made in relation to—

(a) any proceedings in relation to a claim for—

(i) libel,

(ii) slander,

(iii) misuse of private information;

(b) any proceedings arising out of the same cause of action as any proceedings to which sub-paragraph (a) refers.'.

Amendment 163, page 29, line 41, at end insert—

'(7) The amendments made by subsections (2) and (4) do not apply in relation to a success fee payable under a conditional fee agreement made in relation to—

(a) any proceedings based on a claim of defamation; or

(b) any proceedings based on a claim of privacy under Article 8 of the European Convention on Human Rights; or

(c) any proceedings arising out of the same cause of action as any proceedings to which paragraphs (a) or (b) refer.'.

Amendment 22, page 31, line 1, leave out clause 43.

Amendment 151, in clause 43, page 31, line 45, at end insert—

'(6) This section does not apply in relation to a costs order made in favour of a party to proceedings which include a claim for damages for loss or bodily injury resulting from exposure to a harmful substance or process where the claim is made against a person who—

(a) carries on business in more than one country, or

(b) owns (wholly or partly) one or more businesses carried on in more than one country or in different countries.'.

Amendment 165, in clause 43, page 32, line 4, at end insert—

'(4) The amendments made by this section do not apply in relation to a costs order made in favour of a party to proceedings in a cause of action in relation to a claim for—

(a) libel,

(b) slander,

(c) misuse of private information.'.

Amendment 72, page 32, line 5, leave out clause 44.

New clause 39—*Road traffic accident pre-action protocol*—

'(1) The Table in Rule 45.29 of the Civil Procedure Rules 1998 (SI 1998/3132) (Amount of fixed costs under the Pre-Action Protocol for Low Value Personal Injury Claims in Road Traffic Accidents) is amended as follows.

(2) The figure for Stage 1 shall be £200.

(3) The figure for Stage 2 shall be £400.

(4) The figure for Stage 3 for Type A fixed costs shall be £125.

(5) The figure for Stage 3 for Type B fixed costs shall be £125.

(6) Any further amendment to the Table shall not be made by the Civil Procedure Rule Committee but may be made by the Lord Chancellor by rules made by statutory instrument and may not be made until a draft of the rules has been laid before and approved by resolution of both Houses of Parliament.'.

Mr Slaughter: This is an important group of amendments to part 2 of the Bill, which deals with a complex and vital area of access to justice. Because there are only 20 minutes left to debate this group, and I want to be fair to the Minister and give him 10 minutes to reply, I shall speak quickly in the hope of getting through the main part of my argument. I should make it clear at the outset that I wish to press to a vote amendment 21, which would undo the destruction of conditional fee agreements that the Government are pushing through in the Bill. I also ask, with the leave of my hon. Friend the Member for Rhondda (Chris Bryant), the lead signatory to amendment 163, that we press that amendment to a vote.

Conditional fee agreements, also known as no win, no fee agreements, were brought in by a Conservative Government to preserve access to justice for those on moderate means at a time when vast areas were being removed from the scope of legal aid and eligibility criteria were being removed. The provisions were amended, with a remarkable lack of contention from the Conservative Opposition, in the Access to Justice Act 1999, to create their modern form.

The idea of contingency fee agreements was to create a viable market in legal services by introducing success fees paid by losing defendants—wrongdoers, in other words—to compensate lawyers for the cases that they lost, for which, of course, they received no fees. For lawyers, that form of payment by results meant not that they would take on spurious cases, but that they were allowed to take on cases that might be 75:25 or 50:50. That has created a system that works, for the main part, very well. It has created a viable market in legal services and permitted access to justice for millions since it was introduced.

What sort of people have availed themselves of contingency fee agreements? More than half of those who have used them have had an income below £25,000 a year and only 18% have had an income of more than £40,000 a year. Government Members carp on about footballers and models using them, but the average claimant is the average constituent.

How do the Government's proposals work? First, winning claimants will lose. Victims will have to pay the costs of their insurance and their lawyer's success fees from their damages—up to 25% of damages, aside from damages for future care, can be taken by the lawyer, and the insurance premium will take up even more of those damages, perhaps wiping them out altogether. To make up for part of those losses, the Government plan a 10% increase in damages for pain, suffering and loss of amenity. Simple maths should be sufficient to show that that will not make up for all losses.

Losing claimants, including those bringing speculative and nuisance claims, will gain. They will benefit because it is unlikely that they will have to pay the costs of the winning defendant—that is part of the perverse, qualified one-way cost-shifting scheme that the Government intend to introduce when the Bill passes.

Losing defendants—wrongdoers, in other words—and their insurers will gain. Wrongdoers will benefit, because they do not have to pay the cost of after-the-event insurance or the victim's lawyer's success fees, thus limiting their liabilities and those of their insurers. Winning defendants will lose out. A winning defendant will no longer be able to reclaim the cost of their defence, thanks to qualified one-way cost shifting. To summarise, winners lose and losers win. That is simply wrong.

There was a time when the Conservative party worried about access to justice, but now it appears to be nothing more than the parliamentary wing of the insurance lobby, which according to an investigation by *The Guardian* has donated £4.9 million to the Tories since the Prime Minister became leader.

I have spent the past few months speaking to victims who have used contingency fee agreements to get justice. I have heard them tell me how our justice system helped them, and their fears that others who suffer in future will not get the help they need. A number of areas of law will be badly—

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): Will the hon. Gentleman give way?

Mr Slaughter: I would love to give way to the Secretary of State, but I have very little time—*[Interruption.]* If I have time at the end I will do so.

A number of areas of law will be badly affected by this legislation, and I should like briefly to touch on a few of them—[Hon. Members: Give way!]

Mr Clarke: I am sorry that the hon. Gentleman had to be bullied to give way to me, but there we are. I do not want him to exaggerate his case. No win, no fee was introduced by the Major Government and worked perfectly satisfactorily until the previous Government amended it. We are talking about how much winning lawyers are paid. The principles of access to justice and of no win, no fee are agreed on a bipartisan basis. They are not threatened at all by the Bill.

Mr Slaughter: I began my speech by informing the house how contingency fee agreements came about. Because the Secretary of State has merely repeated that, I will penalise the Minister by taking a minute off his time.

[Mr Slaughter]

The Secretary of State believes that there are faults in the current system whereby lawyers are unjustly enriched—he may be right, and my right hon. Friend the Member for Blackburn (Mr Straw) and I, and many other hon. Members, would probably agree with him—but let us cure those faults. Let us not throw the baby out with the bathwater.

Chris Bryant (Rhondda) (Lab): Some categories of proceedings are particularly expensive to advance, yet lead to relatively minor awards. For instance, the largest award in a privacy case is £60,000, and below that, £13,000. The vast majority of libel cases end up with awards of less than £100,000. The problem is that in those cases, families such as the Dowlers, and people such as Christopher Jefferies, who was on the radio this morning, would have no chance of access to justice.

Mr Slaughter: That is why I will be very pleased to support amendment 163, which is in my hon. Friend's name. As I have indicated, there are some cases—libel is a good example—when damages are small, but the defamation is important. Under the Secretary of State's scheme, more than the sum of the damages could therefore be taken in fees.

Let me go through other areas of law, and I will come to privacy at the end if I have time. On clinical negligence, it is unavoidable that there will be good and bad doctors, just as there are good and bad in any profession. It is just and proper that compensation is paid to anyone harmed as a result of inaction, negligence or incompetence when a medical professional fails to live up to their obligations. I say that despite the fact that when the Secretary of State gave the figures, he conflated the cost of damages, claimant costs and defendant costs and pretended that they were a cost figure in themselves, for which he had to make another apology to my right hon. Friend the Member for Tooting (Sadiq Khan).

On professional negligence, taking on a professional is always risky. No one knows the system better. People are never 100% likely to win such cases. Without success fees to compensate for the risk, many such cases will not be brought in future. So who will lose out? It will be the first-time home buyer whose surveyor negligently fails to spot subsidence, the pensioner whose financial adviser negligently makes a high-risk investment, the hard-working small businessman whose accountant negligently fails to prepare accounts and lands him with a huge tax bill that he cannot pay, and the bereaved family whose probate solicitor takes three years to deal with the case and then charges huge fees. Those are the kinds of case that our constituents experience.

5.45 pm

Business and human rights cases perhaps highlight the problems even more starkly. My hon. Friend the Member for Wigan (Lisa Nandy) has tabled an amendment, which I fear she will not have time to speak to, that addresses precisely this issue. It is backed by Amnesty International, the Catholic Fund for Overseas Development, Friends of the Earth and Martyn Day of Leigh Day and Co., who brought Trafigura to justice on behalf of 30,000 Côte d'Ivoirians who were poisoned by toxic waste.

I move on to employers' liability and breach of duty by an employer. We have created some of the safest workplaces in the world in Britain, and our incidence of accidents at work is among the lowest in the world. That is thanks in large part to the labour and trade union movement, which has made it a priority over the past 100 years. In one fell swoop, victims will have their rights taken away and employers will be incentivised to act negligently and capriciously.

Insolvency practitioners—for whom even Her Majesty's Revenue and Customs and the Insolvency Service are lobbying for an exemption—have told us that they will not be able to bring cases. Given that HMRC is the largest creditor, with 25% of all unsecured credit, the public purse will lose out by up to £200 million a year. It will actually cost us money to enact the Bill.

I will move on to industrial diseases. The Association of British Insurers, an organisation that the Minister knows well and has met many times, is still obstructing victims of pleural plaques to try to avoid paying out. In the *Insurance Times*, it described a recent ruling in favour of victims of pleural plaques as a "disappointment".

Finally, in the minute or two I have left, I turn to privacy cases and the amendment in the name of my hon. Friend the Member for Rhondda. No one can forget the case of Milly Dowler. It remains a great source of anger throughout the country. When we heard that the phones of Milly's parents, Bob and Sally, had been hacked by News International, we were all rightly outraged. We often hear about rich and powerful people having their privacy or reputation trashed by the press. However, there are thousands of cases that happen quietly to weak, vulnerable people who are exploited for cheap and tawdry scandal. Their only recourse is through the courts, and the only means to achieve justice is no win, no fee. The Dowlers bravely put their case to the Prime Minister. Without no win, no fee, they could never have taken on the leviathan of News International.

I will quote briefly from the Dowlers' letter to the Prime Minister:

> "What helped was the fact that we would be insured if we lost a case and the premium…would be taken from the other side if we won. Without that we would not have been able to start a case or even threaten it.
>
> We were lucky that we fell under that system. We understand that the new law will affect thousands of people who want to sue News International and other newspapers. We had understood that you were on the side of the people not the press. Please do not change the law so that the ability to sue the papers is lost."

They end by saying:

> "We are sure you do not want to go down in history as the Prime Minister who took rights away from ordinary people".

I put those comments to the Minister and the Secretary of State today. That is the question being asked of us. Do we want to go down as the Parliament that took rights away from ordinary people so that large companies could break the law and behave as they like, without people being able to challenge them?

Part 2 of the Bill is appalling. Access to justice is being destroyed. When the Minister challenged me earlier and said that I was talking about part 2 during our discussion of part 1, as so often he missed the point.

Mr Ben Wallace (Wyre and Preston North) (Con): On a point of order, Mr Deputy Speaker.

Chris Bryant: You are the Parliamentary Private Secretary.

Mr Wallace: PPSs are allowed to make points of order. Throughout the proceedings on the Bill Opposition Front Benchers, particularly the hon. Member for Hammersmith (Mr Slaughter), have made points about the perceived failure of Government Front Benchers to declare their interests. However, the hon. Gentleman has failed to point out that on 119 separate occasions the Labour party has received donations from lawyers who make their money from success fees.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. That is not a point of order and the matter was dealt with earlier in the week. Let us have no more of that.

Mr Slaughter: Let me just say that if the Government start talking about conflicts of interest on this Bill, they will open a Pandora's box.

Mr Deputy Speaker: Order. We are not going to open Pandora's box. We are going to deal with the amendments before us.

Mr Slaughter: I was not talking about the Minister; I was talking about the Bill. I am not surprised that the Minister's PPS is embarrassed by the Bill, after sitting through our proceedings in Committee.

The common link between parts 1 and 2 of the Bill is the destruction of access to justice in a way that we have not seen since the introduction of legal aid by a Labour Government after the second world war. The insurance industry is being given one of the biggest pay-offs in history which, as we know from experience, will go into the pockets of their directors and shareholders. While other aspects of this Bill display the startling incompetence of this Government, none shows their intent more truly than the provisions in part 2, which would give the whip hand to large public and private corporations, while taking rights away from ordinary people. What is the point in having rights if they cannot be enforced?

I ask the Liberal Democrats to look at amendment 21, which would deal with cases such as Trafigura and pleural plaques, and amendment 163, which would deal with cases such as that of Milly Dowler, and join us in the Lobby tonight.

Mr Djanogly: Amendments 21, 22, 72, 163, 164 and 165 all seek to undermine a fundamental element of the package of reform of civil litigation funding and costs based on the report prepared on behalf of the judiciary by Sir Rupert Jackson and now included in this Bill—the abolition of recoverability of success fees and after-the-event insurance premiums. I must say that I am rather perplexed by the amendments as in Committee the hon. Member for Hammersmith (Mr Slaughter) agreed that the intention of part 2 is

"perfectly sound, and it is one with which we have a great deal of sympathy."—[*Official Report, Legal Aid, Sentencing and Punishment of Offenders Public Bill Committee*, 13 September 2011; c. 501.]

I will also deal with new clause 39, which is on the related but slightly separate matter of recoverable costs for low-value road traffic accident claims.

It is worth emphasising, as the Justice Secretary has just said, that we are not proposing to end conditional fee agreements or no win, no fee deals. What we are addressing is the substantial legal costs that go to lawyers under the current no win, no fee regime. Our reforms are designed to make these legal costs more proportionate, while enabling meritorious claims to be brought. This applies equally to defamation and privacy claims and multinational claims as to other categories of case, but it is worth reminding ourselves of some of the disproportionate costs that have arisen and that emphasise the need for our reforms across the board.

Chris Bryant: The Minister referred specifically to defamation and privacy cases. The problem is that in the vast majority of cases—and in every single instance in privacy cases—the awards are so small that if there is no success fee, it will be completely uneconomic for a lawyer to come forward with a CFA. That may not be the Minister's intention—I take him at his word—but the effect will be to stop CFAs in libel, defamation and privacy cases.

Mr Djanogly: In some cases, where the balance is against, that perhaps should be the case. In Naomi Campbell's defamation case against the *Daily Mirror*, she received damages of £3,500 but the total costs exceeded £1 million.

In relation to clinical negligence claims, which can of course include substantial damages in catastrophic injury cases, lawyers' costs are about half of the total damages that are paid out. In 2009-10, for example, the NHS paid out £297 million in damages and £121 million in legal costs, over half of which were no win, no fee costs. One of the leading no win, no fee cases against a multinational company is that against Trafigura. In that case, the claimants' legal costs were more than £100 million, but the damages recovered were only £30 million. As a result, 30,000 claimants in the Ivory Coast received damages of an average of only £1,000.

Lisa Nandy (Wigan) (Lab): Will the Minister give way?

Mr Djanogly: I will not—[Hon. Members: "Go on!"] I am afraid that I do not have time to give way.

It is these high legal costs which led to Sir Rupert Jackson's review. Specifically in relation to defamation and privacy, it is these high legal costs which led to the right hon. Member for Blackburn (Mr Straw), when he was Justice Secretary, seeking to introduce similar changes to those we are now proposing to reduce excessive legal costs, but he mistakenly limited them only to defamation and privacy cases. In effect, that is the exact opposite of what the hon. Member for Rhondda (Chris Bryant) proposes in his amendment. The sands seem to have been shifting dramatically in the Labour camp on this issue.

New clause 39, tabled by the right hon. Member for Blackburn, would reduce the amount of fixed recoverable fees on the pre-action protocol for low-value road traffic accidents in the light of the impact of the ban on referral fees. The Department is now reviewing the situation, but to achieve this outcome does not require primary legislation. Instead, a reduction can be implemented through changes to the Civil Procedure Rules. I can give the commitment that we are looking at this. Indeed, my officials plan to consult on appropriate changes to the level of recoverable costs, and any changes will be placed before the Committee for approval. I can also

[Mr Djanogly]

tell him that I do not intend to go to all the trouble of stopping referral fees being paid to claims management companies, only to see those same fees staying with the lawyers rather than going back to consumers in lower insurance premiums or prices in the shops.

Mr Jack Straw (Blackburn) (Lab): I am grateful to the Minister for those undertakings.

Mr Djanogly: I shall take each amendment in turn. Amendment 21 would remove clause 41, the effect of which is to amend the Courts and Legal Services Act 1990 so that success fees under a conditional fee agreement will no longer be recoverable from a losing party in any civil proceedings. Amendment 22 would remove clause 43. I should make it clear that we have listened carefully to specific concerns about the abolition of recoverability of after-the-event insurance premiums in clinical negligence claims and the impact it would have on funding expert reports. Such reports, which can be expensive, are often necessary in establishing whether there is a case for commencing proceedings, which raises particular issues if recoverability of ATE insurance is abolished. In responding to these concerns, clause 43 provides, by way of exception, for the recoverability of premiums in respect of ATE insurance taken out to cover the cost of expert reports in clinical negligence cases.

Amendment 72 would remove clause 44, which abolishes the recoverability of the costs incurred by membership organisations, such as trade unions, of insuring themselves against the risk of paying costs to another party in the event of losing a claim. I strongly believe that the abolition of recoverability should apply equally to the arrangements for membership organisations in order to maintain a level playing field. Amendments 150 and 151 seek to allow the recoverability of success fees and ATE insurance premiums from a losing party in certain claims for damages against a person who carries on business in more than one country or who owns one or more businesses carried on in more than one country or in different countries.

Lisa Nandy: Will the Minister give way?

Mr Djanogly: We understand that these amendments seek to protect the rights of individuals—[Hon. Members: "Go on. Give way."] Oh, all right. How can I resist?

Lisa Nandy: I thank the Minister for finally recognising just how strongly so many of us on both sides of the House feel about this issue and how unfortunate it is that we have not been able to make the case today. Unfortunately, we have not had sufficient answers to make Members on both sides of the House feel that these cases will be able to continue. Will he therefore agree to meet a cross-party group of us before the Bill is sent to the other place, so that we can make at least make our case before the Bill becomes law?

Mr Djanogly: The hon. Lady will be pleased to hear that I have met the Corporate Responsibility Coalition—CORE—and the solicitors who acted for Trafigura. I have acted for a number of people, and of course I shall be prepared and happy to receive additional representations from her.

We understand that the amendments seek to protect the rights of individuals in developing countries to claim damages against large multinational companies, but the amendments go much wider than that, and would provide that a losing defendant should pay the success fee and ATE insurance premium based on whether it is a multinational company, regardless of the nature of the claim or status of the claimant.

Given the concerns that I have been raising in relation to cases brought by claimants in developing countries, I shall concentrate my response on those cases. The amendments are neither necessary nor appropriate. The Government believe that it will still be possible to bring claims against multinational companies, once our CFA reforms are implemented, but—this is one of the major reasons for our reforms overall—we believe that the costs involved will be more proportionate to the sums in issue. What the proposals in the Bill seek to address is not the validity of the claims, but the iniquity of a system that can allow such disproportionate costs. It is worth emphasising that the current system of recoverable success fees and recoverable ATE insurance premiums, with the consequences for high civil costs, is not seen in any other jurisdiction in the world. CFAs will continue to be available, but the Bill also extends the funding options. The Government seek to allow damages-based agreements to be used for the first time to fund such claims. Group actions in particular are suited to DBAs, as legal representatives may recover their fees as a percentage of the damages awarded to each successful claimant.

Amendments 163, 164 and 165 seek to ensure that success fees continue to be recoverable in defamation and privacy claims. The Government are aware of concerns about access to justice and the ability of those with modest means to pursue claims, often against powerful organisations. I am aware that there are slight definitional differences, which I will not go into. However, all hon. Members will be aware of one of the most high-profile cases, involving the Dowler family, who were successful in their claim against News International.

6 pm

Debate interrupted (Programme Order, 31 October).

The Deputy Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E), That the amendment be made.

The House divided: Ayes 223, Noes 315.

Division No. 389] **[6 pm**

AYES

Abbott, Ms Diane	Benn, rh Hilary
Abrahams, Debbie	Berger, Luciana
Ainsworth, rh Mr Bob	Betts, Mr Clive
Alexander, Heidi	Blackman-Woods, Roberta
Ali, Rushanara	Blears, rh Hazel
Ashworth, Jonathan	Blomfield, Paul
Bailey, Mr Adrian	Blunkett, rh Mr David
Bain, Mr William	Bradshaw, rh Mr Ben
Balls, rh Ed	Brennan, Kevin
Banks, Gordon	Brown, Lyn
Barron, rh Mr Kevin	Brown, rh Mr Nicholas
Beckett, rh Margaret	Brown, Mr Russell
Begg, Dame Anne	Bryant, Chris
Bell, Sir Stuart	

Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Fiello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reynolds, Emma
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Graham Jones and Tom Blenkinsop

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Dorrell, rh Mr Stephen
Dorries, Nadine

Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, rh Mr Andrew
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, rh Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stride, Mel
Stuart, Mr Graham
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mark Hunter and Mr Shailesh Vara

Question accordingly negatived.

The Deputy Speaker then put forthwith the Questions necessary for the disposal of business to be concluded at that time (Standing Order No. 83E).

Amendment proposed: 163, page 29, line 41, at end insert—

'(7) The amendments made by subsections (2) and (4) do not apply in relation to a success fee payable under a conditional fee agreement made in relation to—

(a) any proceedings based on a claim of defamation; or

(b) any proceedings based on a claim of privacy under Article 8 of the European Convention on Human Rights; or

(c) any proceedings arising out of the same cause of action as any proceedings to which paragraphs (a) or (b) refer.'.—*(Chris Bryant.)*

Question put, That the amendment be made.

The House divided: Ayes 222, Noes 305.

Division No. 390] **[6.13 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
George, Andrew
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reynolds, Emma
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Vaz, Valerie
Walley, Joan
Ward, Mr David
Whitehead, Dr Alan
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Graham Jones and Tom Blenkinsop

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, James
Brooke, Annette

Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hunt, rh Mr Jeremy
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lloyd, Stephen
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, rh Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stride, Mel
Stuart, Mr Graham
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Shailesh Vara and Jeremy Wright

Question accordingly negatived.

Clause 65

OVERSEAS COMMUNITY ORDERS AND SERVICE COMMUNITY ORDERS

Amendments made: 75, page 47, line 36, at end insert—

'( ) In section 322 of that Act (financial penalty enforcement orders), in the definition of "financial penalty" in subsection (4), after "including" insert "a fine imposed by the Court Martial or the Service Civilian Court under paragraph 10(1)(aa) of Schedule 8 to the 2003 Act by virtue of section 184 and Part 2 of Schedule 5 (breach etc of overseas community order) or".'.

Amendment 76, page 48, line 2, at end insert—

'( ) Part 2 of Schedule 5 to that Act (breach, revocation and amendment of overseas community orders) is amended as follows.'.

Amendment 77, page 48, line 3, leave out from 'In' to 'paragraph' in line 4.

Amendment 78, page 48, line 6, at end insert—

'( ) After paragraph 14 insert—

14A (1) The following provisions apply where the Court Martial or the Service Civilian Court imposes a fine under paragraph 10(1)(aa) of that Schedule as applied by this Part of this Schedule.

(2) Section 251 of this Act (power to order payment of fine by instalments) applies in relation to the fine as it applies in relation to a fine imposed by a court for a service offence.

(3) Where the offender is aged under 18 when the fine is imposed and has a service parent or service guardian (within the meaning of section 268 of this Act), subsections (2) to (4) of that section (payment of fine by service parent or service guardian) apply in relation to the fine as they apply in relation to a fine imposed in the circumstances mentioned in subsection (1) of that section.

(4) In the application of subsection (2) of section 268 by virtue of sub-paragraph (3) of this paragraph, the reference in that subsection to the time of conviction is to be read as a reference to the time the fine is imposed.

(5) Section 269(2) of this Act (power of court to make financial statement order before making order under section 268) does not apply in relation to an order under section 268 which is made by virtue of sub-paragraph (3) of this paragraph.'".—*(Mr Blunt.)*

Clause 96

FURTHER RELEASE AFTER RECALL

Amendments made: 3, page 75, line 16, leave out 'Powers of Criminal Courts (Sentencing) Act 2000' and insert 'Sentencing Act'.

Amendment 4, page 75, line 19, leave out

'Powers of Criminal Courts (Sentencing) Act 2000)' and insert 'Sentencing Act)'.

Amendment 5, page 75, line 37, leave out 'recommends' and insert 'directs'.

Amendment 6, page 75, line 39, leave out 'recommendation' and insert 'direction'.

Amendment 7, page 76, line 32, leave out 'recommends' and insert 'directs'.

Amendment 8, page 76, line 34, leave out 'recommendation' and insert 'direction'.—*(Mr Blunt.)*

Clause 98

MISCELLANEOUS AMENDMENTS RELATING TO RELEASE AND RECALL

Amendment made: 9, page 79, line 39at end insert—

'( ) In section 256(1) (review by the Board)—

(a) for "recommend" substitute "direct";

(b) for "recommendation" substitute "direction".

( ) In section 256A (further review)—

(a) in subsection (4)(a), for "recommending" substitute "directing";

(b) in subsection (4)(c), for "recommendation" substitute "direction";

(c) in subsection (5), for "recommendation" (in both places) substitute "direction".'.—*(Mr Blunt.)*

Clause 104

TRANSFER OF PRISONERS: PROSECUTION OF OTHER OFFENCES

Amendments made: 28, page 86, line 5, leave out 'the relevant area' and insert 'Great Britain'.

Amendment 29, page 86, line 25, leave out 'the relevant area' and insert 'Great Britain'.

Amendment 30, page 86, line 30, leave out 'the relevant area' and insert 'Great Britain'.

Amendment 31, page 86, leave out lines 41 and 42.—*(Mr Blunt.)*

Clause 105

TRANSIT OF PRISONERS

Amendments made: 32, page 87, line 12, leave out 'the relevant area' and insert 'Great Britain'.

Amendment 33, page 87, line 27, after '6B' insert ', 6BA'.

Amendment 34, page 87, line 30, leave out 'the relevant area' and insert 'Great Britain'.

Amendment 35, page 87, line 33, leave out 'transported' and insert 'taken'.

Amendment 36, page 87, line 33, leave out 'the relevant area' and insert 'Great Britain'.

Amendment 37, page 87, line 37, at end insert—

'(a) the Scottish Ministers, in a case where it is proposed that the person who is the subject of a request under subsection (1)(b) will, whilst in transit—

(i) be present only in Scotland, or

(ii) arrive in Scotland before being taken to another part of Great Britain;'.

Amendment 38, page 87, leave out lines 38 to 41.

Amendment 39, page 87, leave out lines 43 and 44.

Amendment 40, page 87, line 45, leave out 'section 6B' and insert 'sections 6B and 6BA'.

Amendment 41, page 88, line 1, leave out 'the relevant area' and insert 'Great Britain'.

Amendment 42, page 88, line 2, leave out 'the relevant area' and insert 'Great Britain'.

Amendment 43, page 88, line 13, leave out 'the relevant area' and insert 'Great Britain'.

Amendment 44, page 88, line 17, at end insert—

'(5A) A constable may search a person who is the subject of a transit order, and any item in the possession of that person, for any item which that person might use—

(a) to cause physical injury to that person or to any other person; or

(b) to assist that person to escape from detention.

(5B) The power conferred by subsection (5A) does not authorise a constable to require a person to remove any clothing other than an outer coat, jacket, headgear or gloves.

(5C) The power conferred by subsection (5A) includes power to use reasonable force where necessary.

(5D) A constable searching a person in the exercise of the power conferred by subsection (5A) may seize any item found if the constable has reasonable grounds for believing that the person searched might use the item —

(a) to cause physical injury to that person or to any other person; or

(b) to assist that person to escape from detention.

(5E) Any item seized from a person under subsection (5D) may be retained while that person is in transit.'.

Amendment 45, page 88, leave out lines 18 to 22 insert—

'(6) In this section "constable" means—

(a) any person who is a constable in any part of Great Britain or who has, under any enactment (including subsection (4) above), the powers of a constable in any part of Great Britain, or

(b) any person who is a prison officer within the meaning of section 117(1) of the Criminal Justice and Public Order Act 1994.

(7) A person who is a constable by virtue of subsection (6)(a) has, for the purposes of section 6A, this section and section 6BA, all the powers, authority, protection and privileges of a constable in any part of Great Britain in which a person who is the subject of a transit order is for the time being.'.

Amendment 46, page 88, line 22, at end insert—

6BA Transit through different parts of Great Britain

(1) Where the Scottish Ministers issue a transit order and it is proposed that the person who is the subject of the order will be taken to a part of Great Britain other than Scotland whilst in transit, they must notify the Secretary of State.

(2) The Scottish Ministers need not notify the Secretary of State where the Secretary of State has agreed in writing to the transit order.

(3) Unless the Secretary of State agrees in writing to the transit order, that order authorises the detention of the person subject to it in Scotland only.

(4) But where the person escapes or is unlawfully at large, the order also authorises—

(a) the arrest of the person under section 6B(5) in a part of Great Britain other than Scotland, and

(b) the detention of the person in that part by a constable (within the meaning of that section) for the purpose of taking the person to Scotland.

(5) Where the Secretary of State issues a transit order and it is proposed that the person who is the subject of the order will be taken to Scotland whilst in transit, the Secretary of State must notify the Scottish Ministers.

(6) The Secretary of State need not notify the Scottish Ministers where the Scottish Ministers have agreed in writing to the transit order.

(7) Unless the Scottish Ministers agree in writing to the transit order, that order authorises the detention of the person subject to it only in a part of Great Britain other than Scotland.

(8) But where the person escapes or is unlawfully at large, the order also authorises—

(a) the arrest of the person under section 6B(5) in Scotland, and

(b) the detention of the person in Scotland by a constable (within the meaning of that section) for the purpose of taking the person to a part of Great Britain other than Scotland.'.

Amendment 47, page 88, line 34, leave out 'the relevant area' and insert 'Great Britain'.

Amendment 48, page 88, line 37, leave out 'the relevant area' and insert 'Great Britain'.

Amendment 49, page 88, line 38, at end insert—

'(3) In this section "constable" means any person who is a constable in any part of Great Britain or who has, under any enactment (including section 6B(4) above), the powers of a constable in any part of Great Britain.

(4) A person who is a constable by virtue of subsection (3) has for the purposes of this section all the powers, authority, protection and privileges of a constable in the part of Great Britain in which the person mentioned in subsection (2) is for the time being.'.

Amendment 50, page 88, line 38, at end insert—

'( ) In section 9 of the Repatriation of Prisoners Act 1984 (short title, commencement and extent)—

(a) at the beginning of subsection (3) insert "Subject to subsection (3A),", and

(b) after that subsection insert—

(3A) Sections 3A and 6A to 6C extend to England and Wales and Scotland only."'.—*(Mr Blunt.)*

Clause 113

OFFENCES OF THREATENING WITH ARTICLE WITH BLADE OR POINT

OR OFFENSIVE WEAPON IN PUBLIC OR ON SCHOOL PREMISES

Amendments made: 154, page 93, line 41, leave out from beginning to end of line 4 on page 94 and insert—

'(5) Where a person aged 16 or over is convicted of an offence under this section, the court must impose an appropriate custodial sentence (with or without a fine) unless the court is of the opinion that there are particular circumstances which—

(a) relate to the offence or to the offender, and

(b) would make it unjust to do so in all the circumstances.

(5A) In this section "appropriate custodial sentence" means—

(a) in the case of a person who is aged 18 or over when convicted, a sentence of imprisonment for a term of at least 6 months;

(b) in the case of a person who is aged at least 16 but under 18 when convicted, a detention and training order of at least 4 months.

(5B) In considering whether it is of the opinion mentioned in subsection (5) in the case of a person aged under 18, the court must have regard to its duty under section 44 of the Children and Young Persons Act 1933."'.

Amendment 155, page 94, line 10, leave out '(5)' and insert '(5A)(a)'.

Amendment 156, page 95, line 1, leave out from beginning to end of line 6 and insert—

'(7) Where a person aged 16 or over is convicted of an offence under this section, the court must impose an appropriate custodial sentence (with or without a fine) unless the court is of the opinion that there are particular circumstances which—

(a) relate to the offence or to the offender, and

(b) would make it unjust to do so in all the circumstances.

(7A) In this section "appropriate custodial sentence" means—

(a) in the case of a person who is aged 18 or over when convicted, a sentence of imprisonment for a term of at least 6 months;

(b) in the case of a person who is aged at least 16 but under 18 when convicted, a detention and training order of at least 4 months.

(7B) In considering whether it is of the opinion mentioned in subsection (7) in the case of a person aged under 18, the court must have regard to its duty under section 44 of the Children and Young Persons Act 1933."'.

Amendment 157, page 95, line 12, leave out '(7)' and insert '(7A)(a)'.—*(Mr Blunt.)*

Clause 115

POWER TO MAKE CONSEQUENTIAL AND SUPPLEMENTARY PROVISION ETC.

Amendments made: 133, page 96, line 13, leave out 'or transitional' and insert 'transitional, transitory or saving'.

Amendment 134, page 96, line 14, leave out 'Parts 1 to 3 of'.

Amendment 135, page 96, line 16, leave out from 'legislation' to end of line 17.—*(Mr Blunt.)*

Clause 118

EXTENT

Amendments made: 51, page 97, line 13, leave out 'Section 114 extends' and insert 'The following provisions extend'.

Amendment 52, page 97, line 13, at end insert '—

(a) sections 104 and 105, and

(b) section 114.'.

Amendment 53, page 97, line 17, leave out from '32,' to end of line 18.

Amendment 54, page 97, line 17, after '32,' insert—

'() section [Northern Ireland: information about financial resources] and Schedule [Northern Ireland: information about financial resources],

() sections 38 to 40,'.

Amendment 136, page 97, line 24, at end insert—

'( ) Subsection (5) does not apply to section [Reasonable force for the purposes of self-defence etc] (which extends to England and Wales only).'.—*(Mr Blunt.)*

Schedule 14

APPLICATION OF SECTIONS 90 TO 100 AND TRANSITIONAL AND TRANSITORY PROVISIONS

Amendment made: 20, page 185, line 12, leave out sub-paragraph (3).—*(Mr Blunt.)*

Schedule 17

KNIVES AND OFFENSIVE WEAPONS: MINOR AND CONSEQUENTIAL AMENDMENTS

Amendments made: 158, page 195, line 34, at end insert—

10A In section 100 (offenders under 18: detention and training orders) after subsection (1) insert—

(1A) Subsection (1) applies with the omission of paragraph (b) in the case of an offence the sentence for which falls to be imposed under these provisions—

(a) section 1A of the Prevention of Crime Act 1953 (threatening with weapon in public);

(b) section 139AA of the Criminal Justice Act 1988 (threatening with article with blade or point or offensive weapon).'".

Amendment 159, page 196, line 24, leave out '1A(5)' and insert '1A(5A)(a)'.

Amendment 160, page 196, line 27, leave out '139AA(7)' and insert '139AA(7A)(a)'.

Amendment 161, page 196, line 27, at end insert—

'(4) In the case of an offence the sentence for which falls to be imposed under a provision mentioned in subsection (5), nothing in that provision prevents the court from imposing any sentence that it considers appropriate after taking into account any matter referred to in subsection (1) of this section.

(5) The provisions referred to in subsection (4) are—

section 1A(5A)(b) of the Prevention of Crime Act 1953;

section 139AA(7A)(b) of the Criminal Justice Act 1988.'".—*(Mr Blunt.)*

Title

Amendments made: 139, line 3 after 'proceedings;' insert 'to make provision about referral fees in connection with the provision of legal services;'.

Amendment 140, line 10 at end insert

'; to create a new offence relating to squatting'.

Amendment 141, line 10 at end insert

'; and to amend section 76 of the Criminal Justice and Immigration Act 2008'.—*(Mr Blunt.)*

Third Reading

6.25 pm

Mr Kenneth Clarke: I beg to move, That the Bill be now read the Third time.

At the conclusion of many hours of copious debate on the Floor of the House and in Committee, I pay tribute to members of the Bill team from my Department, who have been working throughout on this marathon Bill, and to my two colleagues, the Under-Secretary of State for Justice, my hon. Friend the Member for Huntingdon (Mr Djanogly) and the Under-Secretary of State for Justice, my hon. Friend the Member for Reigate (Mr Blunt) who, I am glad to say, carried the burden of the day in Committee and most of it on Report as well. I am grateful to them all.

It is an enormous Bill representing a major reform of the criminal justice system and the justice system generally. It is overdue and the Government have made a good start on sorting out some of the problems facing the justice system. I shall mention briefly the legal aid reforms, which have been debated again today. They are extremely important. They make substantial savings and I acknowledge that we have had to make some difficult choices.

I am a lawyer and I have many friends who are practising lawyers. When I was given this post, I wondered whether I would retain any friends in the legal profession by the time we got to Christmas. I am glad to say that I have, but some difficult decisions have been taken at the expense of some members of the profession, who have already suffered reductions in their fees as a result of the previous Government's changes, and have probably had a bigger reduction in their fee income, I concede, than almost any other group in the country. So let us acknowledge that there are people facing consequences as a result of what we have done, but it was much overdue.

We have, as we keep saying, the most expensive legal aid system in the world. It has gone far beyond what could be afforded. The previous Government made repeated attempts to reform it and kept consulting on reforms and making changes. Even then they found, by the end of their period of office, that real-terms spending on legal aid had gone up quite substantially, compared with when they took office.

What we have done is not just a cheese-paring exercise across the whole field of legal aid. We have gone back to first principles and asked what it is essential that the

[Mr Kenneth Clarke]

taxpayer pays for to assure access to justice on truly important matters for that section of society that must have access to justice in the public interest, so that we can all be assured that people get the protections that they are entitled to under our constitution. That is what we have debated, one by one.

I believe that the package that we have come up with will make substantial savings. As I was saying to the hon. Member for Hammersmith (Mr Slaughter) a few moments ago, the idea that we are launching some assault on access to justice and depriving people of access to justice is nonsense. We are not affecting the right. There is no change in the Bill to any particular course of action. Legal aid is available, but it is available to the poorest people for those really essential matters that affect their life, liberty, home and so on, and we have got it back under control.

Amber Rudd (Hastings and Rye) (Con): I know that the Secretary of State is aware of my concerns regarding the advice agencies that provide such vital support to the vulnerable, and I know that additional money has been provided for those agencies. May I press him to give us more detail about this so that we can be reassured that those advice agencies, such as my own in Hastings, will be able to continue their good work?

Mr Clarke: Those who can remember Second Reading will know that the Under-Secretary of State for Justice, my hon. Friend the Member for Huntingdon and I kept stressing that we accept the need to maintain the funding for many voluntary agencies, particularly citizens advice bureaux, which give not only legal advice, but general advice to people suffering from problems of debt, housing and so on, which we all know are bound to get worse in these rather difficult times. A total of £20 million has been allocated to these bodies this year and we are looking ahead at how to continue that support.

I should point out that our legal aid changes will not take effect for a couple of years, so none of those bodies has lost any legal aid funding at the moment. What we are doing is finding money to make up for reductions in grant to those bodies that are largely from local authorities. The Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Ruislip, Northwood and Pinner (Mr Hurd) is about to announce how we will distribute the £20 million. I know that he is in touch with my hon. Friend the Member for Hastings and Rye (Amber Rudd) and expects to be able to make the announcement imminently so that we can get on with that.

I have left the debates on legal aid to the Under-Secretary of State for Justice, my hon. Friend the Member for Huntingdon because, as everyone has seen, he is a walking expert on the subject. There seemed to be no point in my taking part in debates on amendments and having to turn to him if a particularly difficult question was asked. However, I have been present throughout the debates and listening to how Labour Members have tackled the matter. They seem to have lost all touch with common sense. When in government they were reducing expenditure on legal aid, or trying to and failing. In their manifesto they committed to reducing spending on legal aid, stating:

"we will find greater savings in legal aid."

As recently as January this year the leader of the Labour party said, in relation to reductions in legal aid:

"Labour has shown it is ready to make difficult cuts that we believe are necessary for the long term health of our economy."

As far as we can work out, the various amendments tabled by the Labour party in the course of our debates on the Bill would add £245 million to the legal aid bill, compared with the Government's proposals.

Helen Goodman (Bishop Auckland) (Lab): Evidently, some of the amendments we tabled were not reported to the Secretary of State, because we also tabled amendments intended to speed up the collection of fines, on which the Ministry does not have a good record.

Mr Clarke: We are tackling the collection of fines vigorously, but I am afraid that the idea that the Labour party's amendments on the collection of fines would make any significant contribution to the monstrous hypothetical bill it was running up is ludicrous.

Mr Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): Will the Secretary of State give way?

Mr Clarke: I apologise to the right hon. Gentleman, but I must press on. Other Members wish to speak and I do not want to take up all the time.

I will turn to the sentencing provisions. We have gone through major reforms in sentencing that contain many common-sense measures, which have not been debated much but which are intended to simplify the system and give greater professional discretion in many cases. The biggest controversy has concerned the repeal of indeterminate sentences, which was accepted very readily by most Members yesterday. That is a much overdue reform. The introduction of indeterminate sentences never worked as people intended. It was a major mistake and a major blot on our justice system that would not have survived challenge in either the British courts or in Strasbourg if it had carried on much longer. We have put in place a system of long determinate sentences for the most serious criminals, which I think gives protection.

We have not debated the other difficult area, knife crime, over which there was some controversy. The Government are determined to get the message clearly across to the public that knife crime will not be tolerated. We wish to stop people believing that knife crime will not be punished properly in the criminal justice system. For that reason, we tabled proposals introducing a mandatory sentence of six months for adults who are guilty of threatening with a knife in circumstances where it might cause physical injury, which is a new offence we have created. That is in line with the six months already specified in the sentencing guidelines for that kind of offence, but it makes it clear that that sentence should normally be expected automatically for that offence, unless it would otherwise be unjust to do so.

Amendments were tabled by my hon. Friend the Member for Enfield North (Nick de Bois) and by the Opposition seeking to extend that proposal to juveniles. I am glad to say that, following discussions with my hon. Friends the Members for Enfield North and for Enfield, Southgate (Mr Burrowes)—the latter is a

Parliamentary Private Secretary and so cannot table amendments—we finally agreed, that as 30-odd Back Benchers supported the amendments, to introduce a mandatory offence for 16 and 17-year-olds. Again, that sounds rather formidable, because I am not very keen on mandatory sentences for juveniles, but the offence is very serious, and it is only for 16 and 17-year-olds and—

Mr Geoffrey Cox (Torridge and West Devon) (Con): Will my right hon. and learned Friend give way?

Mr Clarke: I will in just a second.

The offence also confirms that the court, at the same time, will have to have regard to the duties under the Children Acts, which mean—

Mr Tom Clarke: On a point of order, Mr Speaker.

Mr Speaker: Point of order, if the Secretary of State will just hold on. Point of order, Mr Tom Clarke.

Mr Tom Clarke *rose—*

Mr Speaker: I hope it is.

Mr Tom Clarke: Unfortunately, Mr Speaker, you could not be here earlier, when again, again and again I asked Ministers to give way. Is there something in "Erskine May" which says, "You don't give way to the right hon. Member for Coatbridge, Chryston and Bellshill"?

Mr Speaker: No. It is uncharacteristic of the right hon. Gentleman to be suffering from a persecution complex, and I hope that it will not be repeated. He is just unlucky today.

Mr Kenneth Clarke: I was about to give way to my hon. and learned Friend the Member for Torridge and West Devon (Mr Cox), but I have the highest regard for the right hon. Member for Coatbridge, Chryston and Bellshill (Mr Clarke), whom I have known for years, and this is the first time that I have rebuffed him, so I will give way, as he insists. He is obviously getting worried about this.

Mr Tom Clarke *rose—*

Mr Clarke: Does the right hon. Gentleman remember what he wished to intervene on?

Mr Tom Clarke: I recall the right hon. and learned Gentleman's reference to the junior Minister, the Under-Secretary of State for Justice, the hon. Member for Huntingdon (Mr Djanogly), and his walking intelligence and so on. All I have tried to do through my interventions is to secure what non-governmental organisations and aid agencies want to hear regarding amendments 150 and 151, and to find out the Government's attitude to British and international firms that are involved in abuses overseas.

Mr Clarke: My hon. Friend the Minister referred to the Trafigura case a moment ago, but we do not believe that our changes to the no win, no fee system will prevent access to justice. Only a few moments ago we heard my hon. Friend point out that, even in the Trafigura case, the millions of pounds paid to the lawyers far exceeded the millions of pounds paid to the claimants. The average citizen of the Ivory Coast got £1,000 out of the action that was brought. We are not stopping the actions; we are getting the costs in proportion to the claim. All those disputes about legal aid and no win, no fee are not about access to justice; they are about the profitability of the actions for lawyers.

I am a lawyer, and I have the highest respect for lawyers and no intention of offending the legal profession, but in the lobbying of this House and the upper House we have had an army of lawyers advancing behind a front of women and children—vulnerable claimants who they say would not be represented if they are not paid as much as they are now. I am afraid I do not believe that.

The fact is that we introduced no win, no fee. These actions were brought because my right hon. and noble Friend Lord Mackay insisted on introducing no win, no fee to this country, and the system worked from the time of the Major Government perfectly well. The previous Government were persuaded to make it more profitable by making the changes that they made, but the costs have got out of all proportion to the claim.

Let me turn to knife crime. There is a serious problem in Enfield, and I had discussions with my hon. Friends the Members for Enfield North and for Enfield, Southgate because of that serious problem with knife crime. It exists throughout the country, but it is localised and can be very bad.

Nick de Bois (Enfield North) (Con) *rose—*

Mr Clarke: My hon. Friend seeks to intervene. We reached agreement on the amendments that have now been made to the Bill at his instigation and that of my hon. Friend the Member for Enfield, Southgate.

Nick de Bois: I am grateful to the Secretary of State for allowing this intervention. Does he agree that the important thing about the introduction of the measure to the Bill is that for the first time in youth sentencing services it is clear that, if a 16 or 17-year-old carries a knife and uses it in a threatening and endangering fashion, they will go to jail? Indeed, it sends a very strong message to the courts, so my constituents will rest a little easier when it is passed into law.

Mr Clarke: That is entirely true, and I congratulate my hon. Friend on his advocacy, but we should both point out that we are talking about the minimum sentence. When we look at the nature of the offence we have created, we find that it is a serious knife offence, and many people—adults and juveniles—will be sent away for longer than the minimum that we specify in the Bill. The minimum catches people who might not otherwise have got a custodial sentence. In really serious cases, juveniles should get more than a four-month detention and training order and adults should get more than a six-month sentence, but there will be a spread of seriousness among individual cases. What we have put forward is a mandatory minimum; in the case of juveniles, my hon. Friend and I agree that it is right that the special way in which the courts treat offenders who are under 18 should be applied. That is where we are.

Several hon. Members *rose—*

Mr Clarke: I am sorry but I shall not give way because other people want to speak.

[Mr Kenneth Clarke]

Let me conclude by going back to the Labour party. Obviously, I am familiar with our own proposals but I have been listening to what the Labour party has been putting forward, which tells us a lot about whether that party is ready for government. I have been facing the Labour movement for a very long time now—particularly the right hon. Member for Coatbridge, Chryston and Bellshill, with whom I am familiar. I do not know what he thinks is happening to his party because the Opposition's position on this has been pitched at a section of the tabloid press that I have never heard the Labour party aim at so far as they have been doing. I did not expect that from the shadow Justice Secretary. Let me quote from the BBC's *Politics Show* on 31 October 2010—a year ago—when he said that he was "not going to say" that I am being

"soft on crime...because he is asking the right questions about rehabilitation rates".

More recently, when he gave the Howard League lecture on 17 October 2011, he said:

"Reforming prisons to reduce re-offending ultimately means safer communities up and down the country".

The Shadow Justice Secretary has made extraordinary proposals in relation to the Bill, the most preposterous of which were about knife crime. He tabled a new clause advocating mandatory sentences for 10, 11, 12, 13, 14 and 15-year-olds. I never expected to see even the most reactionary of Labour Members—even the right hon. Members for Blackburn (Mr Straw) and for Sheffield, Brightside and Hillsborough (Mr Blunkett)—putting forward such a proposition. We cannot estimate how many schoolchildren would have been caught by such measures, but our best estimate is that about 350 would have had to be sent away. We would have had to build secure children's homes to hold them and all the special provisions under the Children Acts would have been set aside. That was not a serious contribution to the debate, and serious contributions are what we should make.

I think the Bill is balanced. As I have said, it has been attacked from the right and the left, and it will be scrutinised carefully in another place. I think we have started to redress some of the problems that the previous Government left behind. It is the inheritance of Tony Blair, a man whom I admire in many ways. By the time he had finished in office he was getting very keen on reforming public services such as health and education. In my modest opinion, he was very good on health and education by the time he finished, but he had no real interest in law and order and the criminal justice system.

Tony Blair shadowed me when I was Home Secretary and he produced a good soundbite but no policy. He produced the phrase,

"Tough on crime, tough on the causes of crime,"

but he did not know what he meant. He had no real interest in the subject and all he did was encourage the right hon. Members for Blackburn and for Sheffield, Brightside and Hillsborough to produce populist stuff that filled the statute book with quite useless criminal justice legislation. This is serious reform to what was caused by that Government, and the right hon. Member for Tooting (Sadiq Khan) who shadows me should look at his party's record. He should not make things worse by going on proposing preposterous things, as he has done in this debate. I advise him to go away and reflect on the many hours he has spent here, to reflect on the wisdom of my hon. Friends the two Under-Secretaries and to do better next time.

6.44 pm

Sadiq Khan (Tooting) (Lab): When the Justice Secretary has been in government for 13 years in a row and has had crime going down by 43% with 7 million fewer victims a year, I will be lectured by him about law and order.

May I begin how the Justice Secretary began, with some thank yous? First, I thank the Front-Bench teams on both sides for their hard work during the Bill's progress through Parliament. By and large, they have got on reasonably well, and have done a huge amount of hard work on Second Reading, in Committee and on Report. I thank them and their advisers for that. I also thank Back Benchers. Debates on Second Reading, in Committee and on Report have generally been well tempered.

Two days ago, some hon. Members cheered the fact that there were three days on Report. I hope that they now regret being so cheery. Government statements—let us be frank, they were filibustering—caused elements of the Bill to be wholly unscrutinised, including provisions on remand, knife crime, women in prison, conditional fee agreements, and social welfare.

Mr Llwyd: The right hon. Gentleman referred to remand. May I take him on to bail? One of the Under-Secretaries gave an understanding in Committee that there would be an undertaking to deal with appeals against the granting of bail. We were told that if that was not dealt with on Report, it would be dealt with in the other place towards the conclusion of the Bill's scrutiny. When I asked the Minister about that, I was boorishly swatted away. Having been a member of the Public Bill Committee, I had tabled amendments on the matter, as did other hon. Members. The subject deserves better than being slapped down, and we should press for some answers today.

Sadiq Khan: I have been in correspondence with the Justice Secretary and, to be fair, he responded to my letter. I am happy to allow him to intervene to put on the record the assurance that he gave me.

Mr Kenneth Clarke: I was not here during the incident to which the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd) referred, but I am sure that he was not swatted away. There was probably anxiety to finish the debate.

I am happy to repeat the undertaking that the Under-Secretary of State for Justice, my hon. Friend the Member for Huntingdon (Mr Djanogly) gave then and in Committee. We accept that in principle there is a good case for saying that there should be appeals against the allowing of bail in the Crown court. We are working on the details of that, and we propose to table amendments in the House of Lords to meet that point. There is no difference in this case, and I have already written to say what we are striving to do. We intend to table an amendment to meet the wishes of the right hon. Members for Dwyfor Meirionnydd and for Tooting, and some hon. Members on the Government Benches.

Sadiq Khan: I thank the Justice Secretary for his clarification. I hope that the right hon. Member for Dwyfor Meirionnydd is reassured. However, that illustrates the problem with the way in which the Bill has been dealt with. There have been three Green Papers, consultation, Second Reading and a long Committee stage upstairs, yet at the 11th hour the Government have tabled new clauses at the last possible moment which have not been subjected to the proper due processes that have existed in the House for generations, and for good reason. The way in which the Bill has been drafted, managed and taken through the House has been shambolic. The Bill is bad for the most vulnerable in society; it is bad for the victims of crime; it is bad for reforming offenders; and it is bad for the safety of our communities. That is why we oppose it, and will vote against giving it a Third Reading.

If the Bill remains unchanged by the other place, it will lead to the dismantling of legal aid, which has been a critical part of the post-war welfare state. Some 600,000 or 700,000 people in England and Wales, depending on whose figures are used, will no longer be able to secure legal aid. It is being dismantled in a way that falls disproportionately on those most in need, at a time when they need it most. That is why so many people are furious at the proposals.

I am less worried about the Justice Secretary losing friends; I am more worried about those who need justice not getting it. We and others have offered alternative savings in the legal aid budget, but the Government have dismissed the alternatives and have pushed ahead with slashing social welfare law: debt advice, housing advice, welfare benefits advice and employment advice. None of those who provide that advice are milking the gravy train and making huge sums of money.

Ms Karen Buck (Westminster North) (Lab): Does my right hon. Friend share my touch of cynicism about the impact of the legal aid cuts on social welfare and welfare benefits, given that the people who are represented and receive the support of the legal aid system in order to be represented in the appeals system have a significantly higher chance of winning their appeals? If they do not have that level of representation, there will be fewer appeals, which will have the happy effect for the Government of people not receiving the benefits to which they are entitled.

Sadiq Khan: My hon. Friend raises a very good point, which is about inequality of arms. These are some of the most vulnerable people who, with a bit of advice early on, will find that their quality of life is improved; and all the evidence suggests that it saves the taxpayer money as well. Huge parts of the country will be devoid of the resources required to access justice because law centres, citizens advice bureaux and small high street solicitors will close down. We will have, I am afraid, advice deserts around the country.

But it does not stop there. In a further effort to save costs, the definition of "domestic violence" is being changed, which will lead to between 25,000 and 30,000 women who are the victims of domestic violence being denied legal aid. That could mean that vulnerable women and children who are the victims of domestic violence will continue to suffer as a direct consequence of the Bill.

Another substantive objection to the Bill is the Government's cherry-picking of Sir Rupert Jackson's proposals on civil litigation. That will create an obstacle to those who rely on no win, no fee cases to challenge some of the powerful in our society. The Government have even ignored the protestations of those involved in high-profile cases, such as the family of Milly Dowler. Only this morning, on the "Today" programme, we heard the calmness with which Christopher Jefferies articulated how he benefited from a conditional fee agreement in pursuing claims against national newspapers—an option that will not be available to further victims of wrongdoing if this Bill is passed, because there will be nobody left to advise them.

The Government's policy on sentencing is an utter mess. Despite their claims, it does not bring clarity to the system, it is not based on common sense, and it will not increase public confidence. Totally abolishing indeterminate sentences takes away judges' power to keep in custody the serious and violent offenders who put society most at risk by reoffending. These proposals in no way fill the gap left by the removal of indeterminate sentences. All this has been done in 73 minutes during the course of the past three days. The Justice Secretary's policies on sentencing have been startlingly inconsistent over the past 12 months. Let us not forget that he began by saying that he had a target to reduce the prison population: first, the figure was 6,500; then it was 3,500; and then it was 3,000—and this week he has published an impact assessment giving the figure of 2,600.

I cannot end without dealing with the Liberal Democrats. They speak sanctimoniously from their Benches and they brief sympathetic newspapers and communities that they will stand up to this Conservative Government, but when it comes to pushing their amendments to a vote, they withdraw them on the basis of meaningless assurances or simply vote with the Conservative Government. They should be ashamed.

We will vote against giving this Bill a Third Reading. It is a shoddy Bill, and I sincerely hope that the other place is able to carry out major surgery on it.

6.52 pm

Mr Burrowes: As we look forward to Christmas and see today the Third Reading of a criminal justice Bill, I am reminded of previous Government Bills that ended up as Christmas tree Bills with baubles being hung on them at any given opportunity as they went through Parliament. I am sure that as this Bill goes to the other place, Ministers will want to ensure that further baubles are not hung on it in the form of extra pieces of law that take the fancy of noble Lords, as well as any little elves.

I am particularly grateful for two important baubles in clauses 113 and 114—the significant victory for victims of crime concerning knife crime and serious injury by dangerous driving. One could look at the bottom of those provisions and see "Made in Enfield" on them. Six years ago, the Galli-Atkinson family in my constituency came to me after the sad loss of their daughter, who was the victim of a road crash in 1997. They told me about the impact on them of losing their loved one through the actions of a dangerous driver. They had campaigned vigorously for changes in dangerous driving legislation and increases in penalties, but when they came to me

[Mr Burrowes]

there was unfinished business with a gap in legislation. That led to my tabling an amendment in 2006 to try to plug that gap by ensuring that there is a specific offence of serious injury by dangerous driving, and that is now in the Bill.

I am sure that the whole House welcomes the fact that we now have a maximum sentence of five years for such offences. That deals with issues such as the very recent incident involving Rachel Jones, who is aged 13. She was crossing a road when she was hit by a car driven dangerously at 98 mph by Carl Smith, who was unlicensed and drunk—an all too familiar story, sadly, across this country. Rachel was left with severe brain damage, and she will be in a wheelchair for the rest of her life. She has no movement in the right side of her body. Her mum, Sheri Ozdemir, described Smith's two-year jail sentence as "a joke". Thanks to the Bill, there need be no more jokes like that; such offences will be taken seriously and will attract a five-year sentence.

Clause 114 deals with knife crime. I pay tribute to my hon. Friend the Member for Enfield North (Nick de Bois) for championing this issue locally and nationally, and raising awareness in Enfield and elsewhere of the prevalence of knife crime—

Karl Turner: What about me?

Mr Burrowes: I was talking about knife crime, but I also pay tribute to the work done by the hon. Member for Kingston upon Hull East (Karl Turner) on injury caused by dangerous driving. He made his case very well in Committee, and I recognise my omission.

Knife crime is a real issue; I have seen many cases going through the youth courts. Sadly, there seems to have been a blind spot when it comes to sentencing, however. There has not been uniform enforcement of the law in this area, and there is a need to plug that gap. Under clause 114, anyone carrying a knife who is threatening and endangering life is likely to go to prison. If they are 16 or over, they will have to go to prison unless there are exceptional circumstances. Yes, we must pay due regard to the circumstances of young people, but the intention of the clause is that a custody threshold will have been reached. That has been welcomed in Enfield and across the country.

The Bill is good news for the victims of knife crime and of dangerous driving. The duties in the Bill relating to compensation are now going to be systemic, and that is important to the victims of crime. Prisoners will need to consider their victims as they serve their sentences; when they earn money, it will go into a victims' fund. We will also at last see an open door to businesses, ensuring that prisons will work. The prisons Minister joined me in celebrating the 2,000th graduate from the National Grid young offender programme. Those people are now getting into real work and getting out of crime. Their reoffending rate is a very low percentage, compared with the national average. The Bill opens up the way for projects such as those, and many more. On prisons, we want to say that we are not locking out the community; we are open for business.

This is a reforming Bill; it does not simply seek to introduce more legislation without due regard. As we look to the new year, I want there to be a resolution that we shall not be coming back to the House next year with another piece of criminal justice legislation. I commend the sentencing part of the Bill to the House.

6.57 pm

Chris Bryant: One of the most important things that the House can ever afford to the citizens of this country is equal and fair access to justice. Notwithstanding the remarks of the Lord Chancellor, I believe that the Bill will make it more difficult for my constituents to have access to justice.

Tom Brake: Will the hon. Gentleman give way?

Chris Bryant: I will not, if the right hon. Gentleman does not mind.

I shall not go into the issue of legal aid, but I want to speak briefly about conditional fee agreements. The Lord Chancellor was absolutely right to say that it was a Conservative Government who introduced them, and they were right to do so. In privacy and defamation cases, the awards are for the most part very small. In privacy cases, they are universally small. No privacy case has ever involved an award of more than £60,000, yet such cases cost many hundreds of thousands of pounds to take to court. Similarly, the vast majority of awards in defamation cases come in at less than £50,000. A few get up to £100,000, and of course prominence is given in the press to the much bigger ones.

I am sure that it is not the Lord Chancellor's intention, but the danger in the Government's proposals is that lawyers will simply not be able to take on such cases. Yes, they might take on cases such as the Dowlers or Christopher Jefferies, because they are open and shut cases, but in the vast majority of the cases relating to phone hacking, people are already terrified of taking an action because they do not want to have to go through the whole business of having their privacy re-explored by the national newspapers and in court. Those people will have no opportunity in the future. I should tell the House that I myself have used a conditional fee agreement, and that if it were not for lawyers being prepared to act on that basis, there is no way that the whole phone hacking scandal would have been exposed.

Question put, That the Bill be now read a Third time.

The House divided: Ayes 306, Noes 228.

Division No. 391] **[6.59 pm**

AYES

Adams, Nigel	Bingham, Andrew
Afriyie, Adam	Binley, Mr Brian
Aldous, Peter	Birtwistle, Gordon
Amess, Mr David	Blackman, Bob
Andrew, Stuart	Blackwood, Nicola
Arbuthnot, rh Mr James	Blunt, Mr Crispin
Bacon, Mr Richard	Boles, Nick
Baker, Norman	Bone, Mr Peter
Baker, Steve	Bottomley, Sir Peter
Baldry, Tony	Bradley, Karen
Baldwin, Harriett	Brady, Mr Graham
Barclay, Stephen	Brake, rh Tom
Barker, Gregory	Bray, Angie
Baron, Mr John	Brazier, Mr Julian
Barwell, Gavin	Bridgen, Andrew
Bebb, Guto	Brine, Steve
Beith, rh Sir Alan	Brokenshire, James
Beresford, Sir Paul	Brooke, Annette
Berry, Jake	Browne, Mr Jeremy

Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Farron, Tim
Featherstone, Lynne
Field, Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Graham, Richard
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, rh Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stride, Mel
Stuart, Mr Graham
Sturdy, Julian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
James Duddridge and Mark Hunter

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Ashworth, Jonathan
Austin, Ian

Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Fabian
Hanson, rh Mr David
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Heyes, David
Hillier, Meg
Hilling, Julie
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leech, Mr John
Leslie, Chris
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Vaz, Valerie
Walley, Joan
Ward, Mr David
Watson, Mr Tom
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Graham Jones and Mr David Hamilton

Question accordingly agreed to.

Bill accordingly read the Third time and passed.

Business without Debate

DELEGATED LEGISLATION

Mr Speaker: With the leave of the House, we shall take motions 3 to 8 together.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

Capital Gains Tax

That the draft Double Taxation Relief and International Tax Enforcement (Armenia) Order 2011, which was laid before this House on 14 September, be approved.

That the draft Double Taxation Relief and International Tax Enforcement (China) Order 2011, which was laid before this House on 14 September, be approved.

That the draft Double Taxation Relief and International Tax Enforcement (Ethiopia) Order 2011, which was laid before this House on 14 September, be approved.

Income Tax

That the draft Double Taxation Relief (Aircraft Crew) (Brazil) Order 2011, which was laid before this House on 14 September, be approved.

Capital Gains Tax

That the draft Double Taxation Relief and International Tax Enforcement (Hungary) Order 2011, which was laid before this House on 10 October, be approved.

Olympic Games and Paralympic Games

That the draft London Olympic Games and Paralympic Games (Advertising and Trading) (England) Regulations 2011, which were laid before this House on 10 October, be approved.—*(Stephen Crabb.)*

Question agreed to.

BUSINESS OF THE HOUSE

Ordered,

That, at the sitting on Wednesday 9 November, paragraph (2) of Standing Order No. 31 (Questions on amendments) shall apply to the Motions in the name of Edward Miliband as if the day were an Opposition Day; proceedings on the Motions may continue, though opposed, until the moment of interruption and shall then lapse if not previously disposed of; and Standing Order No. 41A (Deferred divisions) shall not apply.—*(Stephen Crabb.)*

University Technical Colleges

Motion made, and Question proposed, That this House do now adjourn.—*(Stephen Crabb.)*

7.13 pm

Robert Halfon (Harlow) (Con): I am incredibly grateful for this debate. I spoke about apprenticeships and vocational training in my maiden speech, and have campaigned regularly since joining the House last year for apprenticeships and apprenticeship rights. I have now worked for many months behind the scenes with Harlow college, Anglia Ruskin university and employers in my constituency to apply for a university technical school in Harlow, which I will talk more about later.

Although universal technology colleges have not yet received the same media attention as free schools and the huge expansion of the academy programme, they are an equally profound reform of our school system. They are hugely popular, and something that we should think about in their own right.

I want to make three points. First, for decades we allowed vocational education to decline. Secondly, for growth, skills and jobs, UTCs represent the reform that we need. Thirdly, the results are positive, and we should support a massive roll-out of UTCs around the United Kingdom. When the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown) called the general election in 2010, there were nearly 1 million young people unemployed. The same is broadly true today. However, youth unemployment is not a recent crisis. Figures from the Department for Work and Pensions show that it has grown steadily worse and worse over the past 10 years. In Essex, in particular, nearly 4,000 young people are not in employment, education or training. My constituency is one of the worst affected towns. We have allowed our skills base and vocational education to decline.

In the past 10 years in Austria and Germany, one in four businesses offered apprenticeships to young people, but in England that figure was just one in 10.

Mark Reckless (Rochester and Strood) (Con): I am listening with great sympathy to what my hon. Friend says about his constituency, because in my area of Medway we have had a similar problem with the closure of the dockyard 25 years ago. We lost an enormous employer that had trained hundreds and thousands of apprentices, so for us, UTCs would provide a new opportunity to develop in that area. With the Royal School of Military Engineering and MidKent college, there is a real partnership approach. I look forward to learning—

Mr Speaker: Order. The hon. Gentleman is developing a most interesting argument, but I want to hear Mr Halfon.

Robert Halfon: I agree with my hon. Friend, and I think that my remarks later will address some of his points.

Thanks largely to my hon. Friend the Minister for Further Education, Skills and Lifelong Learning, and the Minister of State, Department for Education, my hon. Friend the Member for Bognor Regis and Littlehampton (Mr Gibb), the Government have increased the number of apprentices to a record level this year—up

[Robert Halfon]

50% to 442,700, with increases at all levels and age groups. However, we are starting from a low base. In 2009 there were about 11 apprentices for every 1,000 workers. In France that figure was 17, in Austria 33, in Australia 39, and in Germany 40. In 2009 our young people were four times worse off for apprenticeships than young people in Germany.

Considering that the Berlin wall fell only 20 years ago, that is deeply shocking and shows just how uncompetitive the UK economy has become. For years Germany reaped the benefits of its skills policy and a culture that valued apprentices and gave prestige to vocational learning. Germany built up its manufacturing and high-tech industry while we lost out, not only under the previous Government but, honestly, during the 1990s. I agree with the analysis of Lord Baker, who was one of our finest Education Secretaries and was, in many ways, the forefather of the UTC movement, along with the late Ron Dearing. Lord Baker wrote in the *Yorkshire Post* in 2008:

"One thing our country has missed out on is good vocational schools. Several attempts have been made since the 1870s, but they have generally fallen by the wayside. The 1944 Butler Education Act established three types of school—grammar, secondary modern and technical, but the first to disappear was the technical school as it had become"—

to quote the Latin—

"'infra-dig'. Ironically, this English pattern was adopted by Germany in 1945 and became very successful: their youngsters who attend technical schools acquire skills in engineering, construction, manufacturing and design. Germany's technical schools today have more applicants than their grammar schools and Germany produces several times the number of qualified technicians than the UK."

We simply cannot afford to keep producing generation after generation of rootless university graduates with purely academic qualifications who lack the skills that industry needs.

What are UTCs, and why will they succeed where other attempts have failed? As Lords Baker and Adonis said when first proposing the UTC model, we need a vocational route that is rigorous, attractive and as prestigious as the best academic routes. That simply does not exist in our current schools system. As the Prime Minister put it recently, the expansion of UTCs will be

"the next great poverty-busting structural change we need...offering first-class technical skills to those turned off by purely academic study."

However, the key reform is that major local employers, especially in manufacturing and industry, will help to write the curriculum, which has never been tried before. As the recent schools White Paper said:

"Pupils at the JCB Academy in...Staffordshire, will study a curriculum designed to produce the engineers and business leaders of the future...They will complete engineering tasks that have been set by JCB and other Academy partners including Rolls-Royce, Toyota and Network Rail."

Early results are positive. They prove that UTCs are an instrument of social justice, as well as economic efficiency. At the JCB academy, for example, students wear business suits. There are reports that truancy has been reduced significantly and GCSE results, particularly in the core subjects of English and Maths, have massively improved.

As Lord Baker said a few weeks ago,

"10,000 students are now set to attend University Technical Colleges by 2015".

That means 10,000 fewer youngsters on the dole, and 10,000 more students learning the high-tech skills of the future to support British industry, manufacturing, and growth.

Jim Shannon (Strangford) (DUP): We are fortunate in Northern Ireland to have technical colleges—the South Eastern Regional college campus in Newtownards is an example—that give young people exactly what the hon. Gentleman is referring to: an opportunity to train, build their confidence and get a job outside, or be directed towards one. I encourage him to look up the South Eastern Regional college website to see exactly what he hopes to achieve in action.

Robert Halfon: I would be delighted to look at that website, and I would like to study it more, because it is good to see successful examples in action.

So far, 18 new UTCs have received support from the Education Secretary, with 13 announced last month, and 130 companies are supporting them, which I think is a record in industrial investment. For the past three years the Baker Dearing Educational Trust has worked with the Department for Education, the private sector, universities and further education colleges to build the network. The Chancellor has doubled the funding for UTCs and found money for at least 24. The Opposition always go on about cuts and the legacy of youth unemployment—left by the last Government, as I have mentioned—but we are talking about a concrete investment of at least £150 million, with more funds levered in from the private sector, to tackle that very issue. This is not small beer.

Jonathan Lord (Woking) (Con): I agree with the thrust of everything that my hon. Friend is saying, so is it not disappointing that at least one union leader in the education sector has come out against UTCs? Is that not incredible?

Robert Halfon: My hon. Friend is almost a mind reader, because I was about to say that it is disappointing that, not so long ago, John Bangs of the National Union of Teachers said of UTCs:

"There is a real fear about a move towards selection by division, selection by direction and selection by assumption, with these routes being mapped out for kids for evermore"

That is the mindset of the left, which we have to consign to the dustbin, because UTCs will create opportunity and social justice for everyone. He is also wrong, because there are no tests to enter a UTC at 14: they are inclusive, not exclusive. To be fair, it is no accident that the Baker Dearing Educational Trust is a cross-party project that is strongly supported by Lord Adonis—who, although he is from the other side of the fence, is someone I admire greatly. The chief executive officer of the Baker Dearing Educational Trust, Peter Mitchell, was a head teacher for 18 years in Walsall and Staffordshire. He turned round a failing school and was mentioned twice in the chief inspector's report as "outstanding". I believe that the UTC movement should unite the House, not divide it.

In conclusion, I want to talk briefly about Harlow's bid for a UTC, which I mentioned at the beginning of my speech. Harlow is a new town. It was built after the

second world war, with a vision to change people's lives and create jobs and growth, but its potential is still unfulfilled. School results have risen sharply over the past 10 years. Most secondary schools now perform around the national average, and this year two secondary schools became academies. I am sure that the Minister will have watched the excellent recent television programme about Passmores school.

Harlow college is now widely recognised as one of the best further education colleges in the country, with pass rates exceeding 99.5%. Anglia Ruskin university opened a campus in the town this term that now has approximately 200 students studying for degrees. Wherever I go in Harlow, parents are delighted with the idea of a new apprentice school, which is exactly what it is, and they have no ideological objections. In fact, the Harlow bid for a UTC is not opposed by the local state schools. Harlow council and Essex county council have said that they support UTCs, and would like to see a UTC in Harlow.

In the first round, we assembled a strong bid, but found out only very late in the process that Harlow was to benefit from an enterprise zone, specialising in bio-tech and medical technology. In his feedback, Lord Hill was very fair and made the point that we should now reflect the new enterprise zone in our bid. That was the right decision; it is worth taking the time to get the bid right.

The Harlow partners are responding to that feedback. Anglia Ruskin is broadening its university courses, to meet the needs of the emerging "MedTech" enterprise zone, with firms like Bupa Home Healthcare. Harlow council is delivering the proposed "MedTech" campus—a specialised industrial estate, which will employ the highly skilled technicians that a UTC provides. Harlow already has several biotech and pharmaceutical firms, such as GlaxoSmithKlein, and is in the London-Cambridge science corridor. We have several strong local hospitals—primarily Princess Alexandra hospital and the Rivers private hospital in Sawbridgeworth. The Health Protection Agency is considering a move to Harlow, partly because of its own financial position, and partly because of the enterprise zone. I hope that in due course it too will have a need for medical technicians and engineers. In the second wave of UTC applications we hope to include medical technology as one of the Harlow specialisms, and to submit an even stronger bid. I hope that the Minister was listening very carefully to that last statement.

If there is one thing that I would urge the Minister to do, it would be to go much further and much faster. As the Baker Dearing Educational Trust has said:

"The Government has committed to funding 24 UTCs. But we hope to see 100 within five years."

We know that public spending is constrained, but UTCs offer us the chance to get back to the great vision of Rab Butler, who sought to establish a high-quality technical education in Britain for the first time. It is worth quoting what Rab Butler said in this very House about his Bill in 1944:

"It is very wrong that in so many parts of England, particularly in industrial areas, which I have visited myself, that decades have been allowed to elapse before the technical development necessary for education in those areas has come to anything at all. There are many towns and cities I have been to in which the technical college has always been the mirage in the distance across the other side of the desert. We cannot allow that state of affairs to go on, and that is why we insist that there should be a proper development of technical education...Compared to our competitors, friends and enemies, we shall...depend more than anything else on the skill of our people...therefore...we must concentrate upon producing the most highly-skilled technologists the world can show."—[*Official Report*, 23 March 1944; Vol. 398, c. 1086.]

Exactly the same is true today.

It is not enough just to support and fund UTCs; we have to evangelise about them. Just the other week the statement on UTCs was tacked on to the end of the statement on free schools at the end of a long day—just after the former Defence Secretary had also addressed the House. UTCs, however, are not just an extension of free schools; they will transform our skills base and the lives of young people, and they will be a conveyor belt to professional apprenticeships. They are the phase 1 of an apprentice revolution in Britain and the reaction from the public—parents, students and others—has been unbelievably positive. That is why they have to be centre-stage, not backstage. When the second round is announced next year—including Harlow, I hope—I would like UTCs to get a separate statement in their own right, showing that they are a forceful answer to the youth unemployment that we have inherited. They will then prove that the apprenticeships are no longer second class, and are now first class.

I hope that, ultimately, every British student will be able to say—just as my hon. Friend the Minister for Further Education, Skills and Lifelong Learning said yesterday at a UTC reception in the House—"I only became an academic because I wasn't clever enough to be practical."

7.30 pm

Mr Rob Wilson (Reading East) (Con): I congratulate my hon. Friend the Member for Harlow (Robert Halfon) on securing this important debate, and thank him for encouraging me to contribute to it, albeit very briefly. I am a great admirer of the work that he has done to promote education, both in the House and in his constituency. In the short time for which he has been a Member of Parliament, he has made an enormous contribution to education and to education debates.

Yesterday I was fortunate enough to host a reception on the House of Commons Terrace for university technical colleges—which was also attended by my hon. Friend—together with Lord Baker of Dorking, who, as my hon. Friend said, is chairman of the Baker Dearing Educational Trust, and is a passionate advocate of UTCs. That reception was instructive. It was attended by people from all over the country, from the great and the good to the UTC community and the many who want to be members of that community—and it was clear from the attendance at that reception that very many people want to join it. It was also highly informative to hear so many positive stories from those who have been involved in the UTCs that have been set up, and to learn how well the schools are doing.

It was said at the reception that the UTCs had become a movement. I have the impression that there is a once-in-a-lifetime opportunity to harness the enormous energy and good will towards UTCs that emanate from the Government, universities, further education colleges and, in particular, private businesses. In many ways, that is not surprising, because the enthusiasm spans the political divide. In most respects, UTCs have secured a cross-party consensus. Both Lord Baker and Lord Adonis have, in different ways, put their fingerprints on their

[Mr Rob Wilson]

creation. Just to complete the all-party celebration, we have a coalition Government who are expanding the new schools and delivering a big increase in their number. I am delighted to say that my constituency will gain a UTC, and that large numbers of private businesses are supporting it. The right hon. Member for Birkenhead (Mr Field)—I hope he does not mind my mentioning this—told me that he had taken Lord Baker to his constituency to lobby him for the creation of a new UTC.

As I have said, this is very much a cross-party movement, and I hope that it will continue to be so. Let me explain why. I think all parties clearly understand that Britain lags behind some of our European neighbours in its approach to technical education. My hon. Friend mentioned Germany—a country which, as a European industrial powerhouse, boasts a long history of taking its technical education seriously. Consequently, the Germans have benefited. Germany is now an incredibly successful exporter as a result of its continued investment in its technical skills base.

UTCs offer our country a real opportunity to plug a gap, to catch up and to take the next step on a journey towards supporting, and indeed creating, a more technically based economy and industry. That journey has been damagingly slow for the UK. Rab Butler's Education Act 1944 recognised secondary technical schools under the tripartite system, but there was little progress until Lord Baker's city technology college scheme in the 1980s. In fact, it has taken more than 60 years for this whole strategy to reach the point of lift-off.

Technical education has often not been taken seriously, and has frequently been recorded as secondary to the academic route. Well, we can finally put that right, and in so doing, plug a skills shortage and unlock the boundless potential of thousands of young people in this country whose gifts just happen to lie in the technical rather than the academic area.

7.34 pm

The Minister of State, Department for Education (Mr Nick Gibb): I congratulate my hon. Friend the Member for Harlow (Robert Halfon) on securing this debate. Both he and my hon. Friend the Member for Reading East (Mr Wilson) are well-informed and passionate promoters of education in their constituencies and throughout the country. I also listened intently to the intervention by my hon. Friend the Member for Rochester and Strood (Mark Reckless), in which he extolled the importance of university technical colleges.

UTCs are an innovative and important part of our school reforms. Through new academies for 14 to 19-year-olds, we are for the first time providing opportunities for school pupils to develop the technical knowledge and expertise that employers demand and our economy needs. UTCs offer pupils high-quality technical and vocational education and clear progression routes at 19 into either higher or further education, or work or apprenticeships.

As Members will know, UTCs sit alongside free schools and academies at the heart of our ambitious reform of the school system. They aim to drive up educational attainment for all pupils and students, regardless of their background, and to improve our performance in relation to the highest-performing systems in the world. UTCs offer choice to parents and pupils, in particular those best suited to a more technical approach to education. They also provide competition to other schools, thus encouraging them to raise their game.

UTCs specialise in subjects that need modern, technical, industry-standard equipment, such as engineering, construction, product design and life sciences. These disciplines are taught alongside business and ICT. Students also integrate academic study with practical education, and so study the core GCSEs alongside technical qualifications, thus covering the basics of English, mathematics, science and often a language and one of the humanities.

UTCs are sponsored by a local university, employers and, in most cases, a further education college with strengths in the UTC's specialist subject areas. That helps to ensure aspirational pathways to higher education, as well as access to opportunities within industry. UTCs are unique in that they develop their education around the needs of local employers and industry. Crucially, the UTC specialisms and the curriculum are designed by the university and employer sponsors. UTCs link local partners into the design and delivery of the education, and also provide mentoring and meaningful work experience for pupils. UTCs have much the same freedoms as free schools and academies. That allows them to be innovative, such as by choosing to employ engineers with an industry background alongside qualified teachers, by developing and delivering innovative projects for pupils, and by using an extended school day of 8.30 am to 5.30 pm and a longer school year of 40 weeks to prepare students for the world of work.

Two UTCs are already open: the JCB academy in Staffordshire, and the Black Country UTC in Walsall. Thanks to the leadership shown by Lords Baker and Adonis, as well as the late Lord Dearing, coupled with the vision of Sir Anthony Bamford of JCB, the first UTC opened its doors in September last year. It specialises in engineering and business. Its belief is that no matter how good an engineer someone is, if they cannot do business too, they will not survive. That is the reality of manufacturing in the global economy, and we must prepare our school leavers to join it if they are to compete—and succeed—in the years ahead.

The JCB academy is delivering its curriculum in partnership with a range of national and local employers. For instance, Rolls-Royce has set students the challenge of designing and manufacturing a small piston pump. This involves designing and manufacturing a specific rig, modelling in 3D animation software, producing drawings and then visiting the factory to see how the real ones are made. The whole project has allowed pupils to see their work from initiation to design and then on to delivery, with Rolls-Royce engineering apprentices helping pupils throughout. Senior Rolls-Royce staff presented to the pupils how a jet engine works and the realities of planning in local and international businesses. The benefits to pupils are clear: they get top-quality technical education. The benefits for Rolls-Royce are also undeniable. It gets the continuing professional development of engineers, graduates and apprentices; an increased pupil awareness of Rolls-Royce as an employer; and a role in helping to shape education in the region. This is leading the way in how employers are now getting involved in UTCs up and down the country.

The second UTC that opened earlier this term is now providing similar opportunities for its pupils in one of the most deprived areas of the black country. There, the partnership between Siemens, Walsall college and the university of Wolverhampton is reinvigorating the black country's engineering heritage. It is, of course, early days, with one school open for just half a term and one open for just a year and a half, but already we are beginning to see the effect of the approach, and it is impressive. The JCB academy reports exemplary behaviour and attendance, as pupils are engaged in their lessons. That positive impact is found not just in the technical subjects, as standards of English and maths look to be on the rise as well. We look forward to hearing their results next summer.

On 10 October, my right hon. Friend the Secretary of State announced the next wave of UTCs due to open in 2012 and 2013 across the country. Between them, they will provide a new generation of school leavers with the technical expertise that industry demands. More than 130 major national and local employers were involved in developing these successful projects—that is a truly immense contribution from industry in our education system. These UTCs will join the two that are already open and three projects in Hackney, Aston and Greenwich that were previously approved. The new projects ensure there will now be UTCs in every region. Russell group universities are joining companies such as Rolls-Royce, Procter & Gamble and BlackBerry, and outstanding colleges and academies. The first of these new UTCs will open at the start of the next academic year and the rest will open the following year.

My hon. Friends and other hon. Members will be aware of the huge interest in one of these new UTCs in particular—the Silverstone academy. It will be based within the grounds of the 800 acres of the Silverstone circuit, it will cater for 540 pupils when at full capacity and it will specialise principally in high-performance engineering and motorsport. It is sponsored by Tresham college of further and higher education, the university of Northampton and Silverstone Circuits Ltd, and it is due to open in September 2013. It will be a unique establishment that will allow students to work alongside nationally and internationally renowned engineering businesses already located at the circuit. It will provide opportunities for students to access work experience and to progress on to a wide and diverse range of job opportunities or further and higher education. The UTC expects significant demand from pupils; indeed, it has already received inquiries and that is before—

7.43 pm

House adjourned without Question put (Standing Order No. 9(7)).

House of Commons

Thursday 3 November 2011

The House met at half-past Ten o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

CULTURE, MEDIA AND SPORT

The Secretary of State for Culture, Olympics, Media and Sport was asked—

Olympics Tickets

1. **Nick Smith** (Blaenau Gwent) (Lab): What steps he is taking to assist schools and colleges to register for the opportunity to obtain free tickets for the London 2012 Olympics. [78170]

The Minister for Sport and the Olympics (Hugh Robertson): Since our last session of DCMS questions, Iain Sproat, a former sports Minister, has passed away. On behalf of all Members, I should like to convey our condolences to his wife Judy—who, incidentally, is a former parliamentary reporter—and to his family and friends.

Let me also, on behalf of the ministerial team, welcome the right hon. Member for Dulwich and West Norwood (Tessa Jowell) and the rest of the new shadow team to the Opposition Front Bench.

The London Organising Committee of the Olympic Games and Paralympic Games is making up to 100,000 free tickets available to schools and colleges throughout the United Kingdom which sign up to the Get Set network by 16 December. In addition, the Mayor has purchased 75,000 tickets to be allocated to young Londoners through the network. Lord Coe has recently written to the schools and colleges that have not yet signed up to encourage them to do so, and I fully support him in that approach.

Nick Smith: It is disappointing that after 14 months, 75% of tickets for schools outside London have not been taken. Will the Minister assure us that every effort will be made to ensure that young people, not just in the home counties but throughout the United Kingdom, are given this one-in-a-lifetime Olympic opportunity?

Hugh Robertson: I thank the hon. Gentleman for asking that question, because it gives me a chance to encourage Members on both sides of the House to get out in their constituencies and encourage as many young people as possible to go. The involvement of young people was one of the central tenets of the London bid, and I am sure that Members in all parts of the House want as many schoolchildren as possible to have that opportunity.

Charlie Elphicke (Dover) (Con): Children have been heavily involved in the "pass the passion" celebration in Dover, where the torch will stop on the way to London. Is it not particularly important for children to have access to free tickets when they have played a real role in the torch's progress around the country?

Hugh Robertson: Of course it is. The very fact that the torch will spend a night in Dover, which is emblematic as a port of entry to the United Kingdom, is yet another powerful reason for young people to become involved.

Tessa Jowell (Dulwich and West Norwood) (Lab): I welcome what the Minister has said. Obviously there is not a single Member in the House who will not want young people to have access to every available ticket, and we will support that fully in every possible way. However, does the Minister share my fear that the excitement stimulated by the prospect of young people going to the games is being undermined by the gradual disappearance of school sport from the lives of children throughout our schools? Does he agree that, as the school sport partnerships are dismantled and redundancy notices handed out, we should at least establish the desired levels of continuing participation, and take advantage of the chance that still remains to fulfil our legacy promise to transform a generation of young people through sport on the strength of London 2012?

Hugh Robertson: School sport is a vital part of the base of the sporting pyramid, and most young people in the country will have their first experience of sport at school. I make no bones about the fact that it is difficult for us to deliver our commitment against the current public expenditure background, but the right hon. Lady is absolutely right to say that we should make every effort to do so.

My Department's funding is confirmed for the next four years, and 8,000 schools are now signed up for school games, which is a much better result than we had expected. We are engaged in discussions with the Departments for Health and for Education about the further support that they will provide, and we fully intend to make this a key tenet of London 2012.

Duncan Hames (Chippenham) (LD): We have heard about the schools and colleges that have not taken up their allocation, but aspiring young Olympians in sports clubs such as the Melksham school of gymnastics are disappointed not to have been able to secure tickets. What provision is the Minister making for young members of sports clubs to attend the Olympic and Paralympic games?

Hugh Robertson: The problem is simple: we had 26 million applications for 6.5 million tickets. Even the most basic calculation will make it clear that one will not go into the other, and that there will be a lot of disappointed people. The good news is that I am sure some members of that gymnastics club will have obtained tickets, or will obtain them in further rounds. We should also bear in mind the fact that one of the successes of

the last six months has been the securing of the world gymnastics championships, which are coming to this country in 2015.

Creative Industries (Young People)

2. **Nia Griffith** (Llanelli) (Lab): What steps his Department is taking to assist young people into employment in the creative industries; and if he will make a statement. [78171]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): The Government support young people wishing to enter the creative industries at all levels through apprenticeships, careers advice, degree courses and business start-up schemes. We are expanding apprenticeships, including those in the creative industries, and the National Skills Academy, which was set up by Creative and Cultural Skills, has been successful in increasing the number of career opportunities for young people.

Nia Griffith: I am sure the Minister will be aware that the television media company Tinopolis, which is in my constituency, is a significant employer of young arts graduates. Vice-chancellors up and down the country are worried about what arts courses they will be able to provide. Can the Minister tell me how many students are taking such courses this year, and how that compares with the number last year?

Mr Vaizey: I do not have the figures to hand, but—

Chris Bryant (Rhondda) (Lab): Write to her.

Mr Vaizey: I shall certainly write to the hon. Lady. I was going to add that I am sure she will wish to join me in welcoming the settlement between S4C and the BBC, as 100% of the programming budget will go to independent companies such as Tinopolis.

Jake Berry (Rossendale and Darwen) (Con): When young people do manage to get a job, if they choose to listen to the radio in their workplace they may be subjected to hounding by PPL. That company is repeatedly phoning a constituent of mine to demand money for a radio licence when he is working at home in his garage. Will the Minister meet me to discuss this case and the behaviour of the company more generally?

Mr Vaizey: There was an identical case in my constituency, and the misunderstanding was cleared up rapidly and amicably.

Pete Wishart (Perth and North Perthshire) (SNP): As the Minister will know, the Hargreaves review of intellectual property will result in many opportunities for young people in the creative industries, but there are also some wild and fantastic assumptions, including the claim that if all the recommendations are implemented it will bring £7.9 billion into the economy. That amounts to almost 0.6% of GDP. The Business Secretary now calls this a ballpark figure, as these estimates start to unravel. What is the DCMS view of that figure of £7.9 billion?

Mr Vaizey: I am not responsible for the Hargreaves review; that is a matter for the Department for Business, Innovation and Skills. However, what I would say, on a personal level, is that I found that figure surprisingly accurate.

Dan Jarvis (Barnsley Central) (Lab): The creative industries are incredibly important for jobs and growth, but I am sure the Minister agrees that websites that illegally give access to copyright material are a major problem. Will he assure the House that he will play an active role in discussions between rights holders, search engines and internet service providers in order to tackle these illegal websites, and does he believe an agreement will be reached?

Mr Vaizey: First, may I welcome the hon. Gentleman to his Front-Bench position? I look forward to exchanging views with him for many years to come.

I wholeheartedly endorse what the hon. Gentleman has said. I am working with rights holders and ISPs to achieve a self-regulatory solution. It is also important to work with credit card companies and advertisers; Indeed, later today I shall speak to the Internet Advertising Bureau on this very subject.

Rural Broadband

3. **Caroline Nokes** (Romsey and Southampton North) (Con): What progress his Department has made in rolling out superfast broadband to rural communities. [78172]

10. **Nicky Morgan** (Loughborough) (Con): What progress his Department has made in rolling out superfast broadband to rural communities. [78181]

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): We have already announced plans to roll out superfast broadband to 90% of the country by 2015. Good progress has been made, with nine parts of the country already at procurement stage, including Highlands and Islands, Lancashire, Cumbria, Wales, North Yorkshire, Rutland, Herefordshire and Gloucestershire, Surrey, Kent and Medway.

Caroline Nokes: Broadband Delivery UK has allocated £8 million to Hampshire for the delivery of rural broadband. Although that is very welcome, and much more than was received under the last Government, residents in the rural Test valley are still concerned to know not only when they will receive faster broadband but how long it will take to get there. What can be done to speed up the process?

Mr Hunt: Absolutely. First, we need Hampshire to submit a broadband plan explaining how it will get broadband access to 100% of Hampshire residents, with 90% of them getting superfast access. We are strongly encouraging councils to look at the 10% who will not get superfast immediately and to make it as easy as possible for them to get superfast access by 2015, especially by those communities finding their own community solutions.

Nicky Morgan: I recently met the Leicestershire county council champion for broadband, Mr Byron Rhodes. He is very grateful for the financial assistance he is getting from the Government, but he has asked me to make the point that councils would appreciate having the maximum flexibility in delivering their own solutions.

Does the Secretary of State agree that councils are best placed to deliver maximum connectivity, as they know their own areas best?

Mr Hunt: I absolutely agree. We have quadrupled the amount of money going into superfast broadband roll-out. When £530 million became available following the BBC licence fee settlement, we could have signed one big contract with BT for a national roll-out. Instead, we parcelled it up into 40 lots, and made it available to councils so they can take ownership of solving broadband problems in their areas. The response has been superb and there is enormous enthusiasm, so that was a good localist solution.

Tristram Hunt (Stoke-on-Trent Central) (Lab): Many of those in rural communities who use superfast broadband will log on to Amazon to buy books and other artefacts, but does the Secretary of State agree that Amazon needs no help from the British Library? Will he look into the worrying development that the British Library is allowing users browsing its online catalogue to click through to Amazon, which will potentially have a major effect on the book retail market?

Mr Hunt: We obviously want to support the retail book market, but as a Government we have to be neutral about whether people obtain their books through the internet or by going to bookshops. However, I will certainly look into the concerns that the hon. Gentleman raises. The reality is that companies such as Amazon are doing a great deal to promote reading. I think that partnerships with organisations such as the British Library can have a positive impact. I will happily look at what he says.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): This week's "Communications Infrastructure Report" by Ofcom reveals that 14% of British homes still do not have access to decent broadband. By delaying Labour's universal broadband pledge by three years, are not this Government letting down rural businesses and communities?

Mr Hunt: I gently remind the hon. Lady that we have quadrupled the amount of money available for superfast broadband; we have brought forward the roll-out of superfast broadband from the next Parliament, which was and still is Labour's policy, to this Parliament; and in October the Chancellor announced £150 million to get rid of mobile coverage gaps and increase mobile coverage to 99% of the population. I think that our record is pretty good.

Tourism

4. **Jeremy Lefroy** (Stafford) (Con): What steps he is taking to encourage inbound tourism from other EU member states. [78173]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (John Penrose): Visit Britain's tourism marketing activities have been refocused to include a stronger emphasis on promoting the UK to potential EU visitors. That is in contrast to the previous Government, who took this important market for granted. Our most recent initiative is GREAT, a major international campaign announced by the Prime Minister on 21 September, which will promote the UK globally as one of the best places to visit, study, work and invest.

Jeremy Lefroy: The exhibition of the Staffordshire hoard of Anglo-Saxon gold in Washington DC is a great success and will encourage tourism to the UK. Will my hon. Friend work with the owners of the hoard to encourage the promotion of similar exhibitions in European cities?

John Penrose: My hon. Friend is absolutely right: the Staffordshire hoard is a glittering jewel, both literally and figuratively, in the British crown. It shows our history in a completely new light and transforms our understanding of a particular period of our nation's story. It will indeed draw many tourists to this country, and I hope that it will be involved in many international tours to spread that message more widely.

Mr Ben Bradshaw (Exeter) (Lab): The vital south-west tourism industry says that the single measure that would make a difference to it would be an extra hour of daylight, particularly in spring and autumn. When will the Government fulfil their promise on this, and why is the Department not pushing much more vigorously within Government for the change?

John Penrose: The right hon. Gentleman will be aware that a private Member's Bill on that issue is going through Parliament. He will also be aware that my right hon. Friend the Prime Minister has said that the Government do not want to move forward on this without the consent of people from the whole of Britain. That means that the people of Scotland, for example, must be comfortable with the move before we take it forward.

Mr John Whittingdale (Maldon) (Con): I congratulate the Government on the boost to tourism that will be achieved with the extra money from the regional growth fund. I also commend the Secretary of State for the amount of time that he is devoting to taking an around-Britain tour to promote tourism. Does the Minister agree that it is not just his Department that needs to prioritise tourism? It is essential that Departments such as the Department for Transport and the Home Office, in relation to visa policy, also recognise the importance of tourism to our economy.

John Penrose: I could not agree more. This is quintessentially a cross-departmental role that we have to fulfil. The Government's tourism policy, published in March this year, deliberately included input from all those Departments to ensure that we were all speaking with one voice.

Festivals

5. **Pamela Nash** (Airdrie and Shotts) (Lab): If he will take steps to promote the holding of festivals and cultural events in 2012. [78174]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): The most prominent 2012 cultural festivals and events will

come under the cultural Olympiad umbrella. Since my appointment, I have taken every opportunity to work with the London Organising Committee of the Olympic Games and Paralympic Games in arranging a cultural Olympiad of which we can be proud.

Pamela Nash: I thank the Minister for that answer. Will he share with the House how much of the cultural Olympiad budget has so far been spent in Scotland? Will he assure the people of Scotland that when the follow-up programme is announced later this month, Scotland will get its fair share?

Mr Vaizey: I am certain that Scotland will get its fair share. In fact, I have recently had a meeting with the Scottish culture Minister and we are going to have a cultural policy meeting of all Ministers. Ministers from around the world will go to Edinburgh after the Olympics. The Edinburgh international festival will play a prominent part in the cultural Olympiad. There were 70 events in Scotland at the last open weekend in 2011. Scotland is fully on board the cultural Olympiad, and quite rightly so.

Tony Baldry (Banbury) (Con): Next year also provides an opportunity for a grand national festival and celebration because of the Queen's diamond jubilee. May I tell my hon. Friend that in Banbury and Bicester we are already planning for that event, and in Banbury we intend to hold the largest street party in the country?

Chris Bryant (Rhondda) (Lab): And doubtless next year you will blame the jubilee for the collapse in the economy.

Mr Vaizey: I am grateful for my hon. Friend's very optimistic comment and depressed by the sedentary cynical comment by the hon. Member for Rhondda (Chris Bryant).

Barry Gardiner (Brent North) (Lab): The Minister spoke of an Olympic year in which we can be proud. How does he propose to deal with the current dispute between the London Organising Committee of the Olympic Games and Paralympic Games and those campaigning on behalf of the 25,000 victims of the Bhopal disaster, and Union Carbide/the Dow Chemical Company having been given the wrap for the stadium? That does not fit with the sustainability and corporate social responsibility criteria of LOCOG.

Mr Vaizey: I am aware of the dispute, which is obviously on the desk of my colleague the Minister for Sport and the Olympics. I would say that the Dow Chemical Company is a top sponsor of the International Olympic Committee and my understanding is that it has been for many years.

Stadiums (Disabled Access)

6. **Bob Russell** (Colchester) (LD): What discussions he has had with the Football Association on ensuring that all Football League stadiums have adequate access and facilities for disabled spectators. [78175]

17. **Stephen Lloyd** (Eastbourne) (LD): What discussions he has had with the Football Association on ensuring that all Football League stadiums have adequate access and facilities for disabled spectators. [78189]

The Minister for Sport and the Olympics (Hugh Robertson): With permission, Mr Speaker, I will link questions 6 and 17.

We are working hard to bring all stadiums up to the necessary standards—

Mr Speaker: Order. May I say to the Minister that it is a courtesy for the Department to seek clearance of such groupings in advance of the sitting? Exceptionally, I will allow it today but it is a rank discourtesy to the House simply to announce it in that way without prior notification.

Hugh Robertson: I can only apologise, Mr Speaker. I thought that that had been done.

We are working hard to bring all stadiums up to the necessary standards. The Sports Grounds Safety Authority, formerly the Football Licensing Authority, has published "Accessible Stadia", which has made an important contribution to delivering better facilities for disabled spectators, not just at football grounds but at all sporting venues. However, much needs to be done and we are working closely with the Football Association and the professional leagues to achieve this.

Bob Russell: I thank the Minister for that comprehensive response. I invite him to congratulate the Muscular Dystrophy Campaign on its Trailblazers campaign on promoting better access to stadiums. Will he meet a delegation of young people from the campaign to discuss their aims?

Hugh Robertson: I am very happy to acknowledge the campaign in the way that the hon. Gentleman asks. If he would allow me, I would rather those young people met the Football League first. If he has any difficulty in fixing that meeting, I would be happy to do that. If there are any issues that cannot be resolved or that arise out of that meeting, I will of course be happy to meet them in due course.

Stephen Lloyd: I thank the Minister for his answer. The Liberal Democrats and, in particular, my right hon. Friend the Member for Bath (Mr Foster), have been campaigning on this issue tirelessly. A large proportion of the 30,000 disabled supporters who regularly attend matches in England still encounter a range of problems related to access, so I would be grateful if the Minister could outline what additional spend may be possible in the next year or so in support of the Trailblazers campaign.

Hugh Robertson: Directly, Sport England has earmarked £8 million of lottery funding for disabled sport issues, but there is an opening at the moment in a way that there possibly has not been before. As a result of the Select Committee's report on football governance, the football authorities are consulting on a range of licences that will govern the running of the leagues. This is an extremely good moment for the hon. Gentleman and others interested in this campaign to feed into that process and make recommendations.

Mr Gerry Sutcliffe (Bradford South) (Lab): But the Minister will know that this is long overdue; as the previous sports Minister, I tried, as he has done, to push

the FA into making sure that access was available. Is this not about the role of the FA too? Can he update us on its reorganisation?

Hugh Robertson: Yes, of course I can. I pay tribute to the work that the hon. Gentleman did on this during his time in office. As a result of the Select Committee report, we produced a response in September. That has set a straightforward deadline to the three football bodies—the FA, the Football League and the Premier League—to come back to us with firm proposals to address the three central tenets of that report: the FA board, the licence, and the link with the councils. I expect that work to be completed by the end of February.

Clive Efford (Eltham) (Lab): In this day and age it really is not acceptable that only 13 football grounds in the country meet the minimum standards and I am sure the Minister would agree that we should be moving towards a time when people with disabilities should not be turned away from a football ground because they cannot be accommodated. In its evidence to the Select Committee, Level Playing Field highlighted a number of horror stories. Its representatives talked to me about a gentleman who had turned up on crutches and been turned away because, he was told, his crutches might be used as a weapon. What is the Minister doing actively to move the FA to improve the situation and increase the number of grounds that provide at least the minimum facilities for people with disabilities?

Hugh Robertson: I hope that I am not traducing him but I think the current chairman of the FA was the chairman of the National Association of Disabled Supporters beforehand.

Mr Sutcliffe *indicated assent.*

Hugh Robertson: The former sports Minister nods. There is therefore somebody at the head of the FA who understands this agenda. As I said in answer to an earlier question, there is an opportunity now with the new licensing system, and I will certainly encourage the FA to take every available step.

4G Spectrum

7. **Mr David Hanson** (Delyn) (Lab): What plans he has for the future sale of the 4G spectrum. [78176]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): Ofcom is consulting on its plans for the auction of 800 MHz and 2.6 GHz spectrum by the end of 2012. The Government are also committed to releasing 500 MHz of spectrum, which is currently used by the public sector, over the next 10 years.

Mr Hanson: Will the Minister confirm that he will undertake that sale by the end of 2012 and that that will be a firm commitment to the House? May I also, in passing, urge him to examine very favourably the recommendations that have been issued today by the hon. Member for Maldon (Mr Whittingdale) and the Select Committee on Culture, Media and Sport about ensuring that private companies do not make windfall profits from what were once public assets?

Mr Vaizey: The right hon. Gentleman makes very valid points. This is an independent process that is run by Ofcom, but he is right to indicate that if mobile phone companies decide to litigate this process, as they have in the past, that will seriously hold it up and be of great detriment to the consumer.

Alun Cairns (Vale of Glamorgan) (Con): The Minister's focus on delivering broadband through mobile technology and fibre is commendable and the investment is very welcome, but will he join me in calling on mobile operators and Ofcom to deliver the will of the House by delivering 98% broadband coverage through mobile technology in the 4G network?

Mr Vaizey: I very much welcome the Select Committee report that was published this morning. The House will be aware that the Chancellor of the Exchequer has announced an additional £150 million to invest in mobile networks in order to cover many of these not spots. We certainly wish to get much greater mobile phone coverage, particularly because of its importance to broadband.

Helen Goodman (Bishop Auckland) (Lab): When the Labour Government left office, the sale of the 4G spectrum was scheduled for 2010, but it has been delayed twice since the general election, which has meant a loss of £300 million a year in fees and a delay of at least £2 billion in auction receipts. If Ministers had pressed Ofcom to do this to the original timetable, they would have needed no cuts in their departmental budget and they could have handed over a surplus to the Treasury. Why have they been so lackadaisical?

Mr Vaizey: I welcomed the hon. Lady to her new position at two very lively Westminster Hall debates last week, but may I welcome her again, to the Dispatch Box? It is hard to know where to start in pointing out how wrong the points she makes are. First, any receipts would have gone to the Treasury; and secondly, the delay was caused by the previous Government, who could have done this five years ago. They left us an order on their last day in office at a time when Orange and T-Mobile were separate companies, but when those companies merged that had to change. We have got on with this whereas Labour delayed for five years.

The Arts (Expenditure)

8. **Bill Esterson** (Sefton Central) (Lab): What assessment he has made of the effects on the arts of reductions in public expenditure. [78177]

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): Cuts are a challenge for all arts organisations and we have tried to mitigate the situation with four-year budget settlements and an increase in lottery funding of 43%, with the result that we have been able to preserve free admission to museums.

Bill Esterson: I could thank the Minister for that very complacent answer, but the arts have faced huge cuts of 29% and the Government say that the cuts will be replaced by "philanthropic giving" although the level of donations always falls in a downturn. How much of the 29% cut in the arts has been replaced by philanthropic giving?

Mr Hunt: Let me tell the hon. Gentleman. Philanthropic giving to major arts organisations stands at £250 million and went up 6% last year. Lottery funding changes that we introduced, which his party did not support, will add £80 million a year to the arts budget by 2013—so, more philanthropy and more lottery. His party was talking about cuts of 20% across the whole of Government whereas we have limited cuts to 15%, so there are lower cuts as well.

Mr Don Foster (Bath) (LD): I welcome the shadow Secretary of State and her team to their new posts.

Does the Secretary of State agree that the biggest threat to funding for the arts is anything that damages income to the national lottery, such as the so-called society lottery set up by Richard Desmond and his newspapers? Does the Secretary of State believe that that lottery abides by the spirit and letter of current legislation? If not, what is he going to do about it; and if he believes it does, should we not change the legislation?

Mr Hunt: My right hon. Friend is well aware of my concerns about anything that challenges or threatens the important income that goes to good causes from the national lottery. He will know that the Gambling Commission and the National Lottery Commission are looking at this, and we await what they have to say with great interest.

Electronic Programme Guides

9. **Dame Anne Begg** (Aberdeen South) (Lab): If he will ask Ofcom to review its code on electronic programme guides. [78178]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): It is the duty of Ofcom from time to time to review and revise the electronic programme guide code. We will consider the electronic programme guide as part of the communications review.

Dame Anne Begg: I add my condolences to those expressed by the Minister to the family of Iain Sproat who, when he represented Aberdeen South, was my MP for a short time. Will the Minister ask the Department and Ofcom to look at guaranteeing front-page prominence for public service broadcasting channels such as the UK's highly successful children's channels, and extending that prominence so that children's services are as easy to find on on-demand TV as they are on live TV?

Mr Vaizey: The hon. Lady makes a good point. As my right hon. Friend the Secretary of State has pointed out, the EPG is the most important lever to protect public service broadcasting going forward. We are reviewing it as part of the communications review, and we may legislate to protect public service broadcasting.

Rugby League Four Nations Tournament

12. **Greg Mulholland** (Leeds North West) (LD): What support his Department has provided to the rugby league Four Nations tournament. [78184]

The Minister for Sport and the Olympics (Hugh Robertson): Sport England is providing £27.5 million to the Rugby Football League to support the grassroots in the period 2009-13. We are also providing up to £1.5 million to help with the hosting of the rugby league world cup in 2013. As with the six nations tournament in rugby union, we do not provide direct financial support for the Four Nations cup in rugby league, but I wish it every success.

Greg Mulholland: I thank the Minister for his answer and for his support. The all-party rugby league group is delighted to host the Rugby League International Federation board today, and I am sure that he will want to join us in welcoming the return of international rugby league to Wembley with the Four Nations double header on Saturday. Does he welcome the fact that there is going to be a statue of a rugby league player at Wembley, and will the Government assist in making that a success as well?

Hugh Robertson: I join the hon. Gentleman in welcoming the international board. That is a fantastic achievement, and yes, it is right that an appropriate way to mark that connection should be found at Wembley, which is a stadium that resonates with rugby league history as well as football history. I will of course do anything that I can to help.

Mark Pawsey (Rugby) (Con): In the other rugby code, rugby union has just seen a successful world cup in New Zealand. The next tournament will be in England in 2015, and the town of Rugby in my constituency is already preparing to receive visitors to the home of the game. Will the Minister lend his support to that work?

Hugh Robertson: Yes, certainly. Was it not in Rugby that William Webb Ellis first picked up a ball and ran with it? That will clearly be a key part of the celebrations in 2015, and we will do everything that we can to support them.

Sports Clubs (VAT)

13. **Tom Brake** (Carshalton and Wallington) (LD): What discussions he has had with the Chancellor of the Exchequer on the effects on levels of participation in sports of the VAT status of sports clubs. [78185]

The Minister for Sport and the Olympics (Hugh Robertson): A range of tax benefits is available to community clubs under the CASC—community amateur sports clubs—scheme, including 80% mandatory rate relief, gift aid on donations, and exemption from some levels of corporation tax. I wrote to the Economic Secretary on 10 August to ask that tax exemption thresholds be increased in line with inflation. To date, just over 6,000 clubs have registered and have benefited from an estimated £100 million in savings since the launch of the scheme.

Tom Brake: I thank the Minister for his response. Will he look in particular at an issue that has been raised with me by Powerleague, a five-a-side organisation that believes that the tax arrangements on VAT, which had been in place for the past 20 years but have recently been changed, will have a heavy impact on its membership?

Hugh Robertson: I wrote to the Treasury to take that issue up on behalf of a number of small five-a-side providers. The issue is not that the regulation has changed but simply that its interpretation has been clarified. Some providers were paying VAT, but others were not.

That conversation is ongoing, but the point of the intervention by Her Majesty's Revenue and Customs was to level the playing field.

Gavin Shuker (Luton South) (Lab/Co-op): I thank the Minister for his answer to the right hon. Member for Carshalton and Wallington (Tom Brake). I would like to raise the same issue: playfootball.net in Stopsley in my constituency is facing challenges to its finances as a result of the changes. Surely if the regulation has been applied in a certain way for the past 20 years, suddenly to change it now would be a silly idea.

Hugh Robertson: The issue is fairness in the tax system. If some providers are being taxed in a certain way and others are not, that provides a competitive advantage that many would argue is unfair. What is important is that the same rules apply, whatever they are. As I said, we are in discussions with the Treasury and we will continue those discussions. The important thing is that the rules are applied equitably to all providers.

Dance

14. **Gordon Banks** (Ochil and South Perthshire) (Lab): If he will assess the economic and cultural value of dance to the UK; and if he will make a statement. [78186]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): My Department fully recognises the economic and cultural value of dance to the UK. The performing arts, including dance, contribute more than £3 billion to the UK economy.

Gordon Banks: I am grateful for the Minister's response, which shows the economic benefits of dance to the UK, although he did not mention the cultural benefits. I declare an interest, as my son is a dancer and works in that industry. Does the Minister agree that injured dancers are unable to contribute to that cultural and economic benefit? What is the Department doing to assist the sector to get dancers who are injured back to health, fithess and work?

Mr Vaizey: I was not quite expecting that question. I have many responsibilities, but rehabilitating injured dancers is not one that I have been asked to take on. I will discuss with the hon. Gentleman what I can bring to that skill set.

Mr Speaker: The House is grateful to the Minister.

Topical Questions

T1. [78193] **Charlie Elphicke** (Dover) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): With permission, Mr Speaker, I would like to inform the House that on Monday we will be announcing the route of the torch relay for next year's Olympics. The torch arrives on 18 May. It will be travelling for 70 days, going through 1,000 communities. Unfortunately, it will not go through every hon. Member's constituency, but I can assure the House that 99% of the population will be within 20 miles of the torch route.

Charlie Elphicke: People often think of DCMS as the Ministry of Fun. Does the Secretary of State just have fun or is there a serious side to his Department in terms of the growth agenda and getting our country doing well in future years?

Mr Hunt: My hon. Friend makes a good point. We focus heavily on growth through our broadband agenda, our tourism agenda and the economic boost of the Olympics next year, but I would not want to deceive him by saying that it is not fun as well. He could be part of that fun by coming along regularly to DCMS questions.

Ms Harriet Harman (Camberwell and Peckham) (Lab): Sorry to spoil the fun. With mounting evidence of the Murdoch empire knowingly using illegal phone hacking, and with the Press Complaints Commission appointing a Tory peer, former Thatcher Cabinet Minister Lord Hunt, as its new supposedly independent chair, it is ever more evident that radical change is necessary and must not be kicked into the long grass. Will the Secretary of State tell the House when he expects to be in a position to bring forward his Green Paper, and when he expects to be able to introduce legislation?

Mr Hunt: I welcome the right hon. and learned Lady to her position. I hope that she agrees with me that this is the best job in government and that it has some fun in it as well as the serious issues that she mentions. I agree with her entirely. *[Interruption.]* The hon. Member for Rhondda (Chris Bryant) is making comments from a sedentary position. Let me remind him that 300 breaches of the Data Protection Act were brought to the attention of the previous Government by the Information Commissioner and they did nothing about that. We have had one, and we are overhauling the system of press regulation. We do not want to go too far in the opposite direction and stop the press being free, vibrant and robust. That is very important. The independent inquiry by Lord Justice Leveson will be reporting on press regulation and the relationship between the press and politicians by September next year, and we hope to be able to bring to the House a White Paper before the end of next year, which will include what we think should happen on the basis of his recommendations.

T2. [78194] **Neil Carmichael** (Stroud) (Con): I welcome what the Government have already done to enhance super-fast broadband opportunities. Does my right hon. Friend agree that we need a clarion call to all businesses and communities, especially in rural areas such as Gloucestershire, to make sure that people understand that there is a strong demand for enhanced service?

Mr Hunt: I completely agree with my hon. Friend and thank him for his excellent work. I have been to Gloucestershire, where the county council is on fire with excitement, which I was not expecting, at the prospect of super-fast broadband getting to the most remote villages. It has a big role, he has a big role and we must do everything we can to bang the drum.

T5. [78197] **Natascha Engel** (North East Derbyshire) (Lab): Lord Taylor's inquiry into the Hillsborough disaster recommended the banning of standing in football stadiums in the top two divisions. Does the Minister agree?

The Minister for Sport and the Olympics (Hugh Robertson): Yes.

T3. [78195] **Andrea Leadsom** (South Northamptonshire) (Con): Has the Minister seen a demonstration of TalkTalk's HomeSafe system, which enables families to keep their children safe not only from internet porn, but from sites on suicide and on bomb-making, and all sorts of unsuitable sites? Does he agree that unless internet service providers do more to enable family-friendly systems to protect children, the Government will have to legislate?

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): My hon. Friend makes a good point. I have seen the TalkTalk system. I have said to ISPs again and again that I prefer self-regulation to legislation, but the mood of the House is for action and legislation. This is not about censorship, but about giving families the tools to protect their children from inappropriate content, and we rely on ISPs to come up with solutions.

T6. [78198] **Bill Esterson** (Sefton Central) (Lab): May I again press the Secretary of State on phone hacking in News International? Will he guarantee full co-operation between his Department and Lord Leveson's inquiry?

Mr Hunt: Not only will I guarantee it, but we commissioned the inquiry, so it is very much in our interests to give it every help.

T4. [78196] **Jessica Lee** (Erewash) (Con): Is the Minister aware of concerns over the quality and frequency of subtitling services on television? A constituent of mine who relies entirely on subtitling feels that the service could be significantly improved and that in the 21st century it should be 100% accurate.

Mr Vaizey: I hear what my hon. Friend says. We are all aware of inaccurate spelling in subtitling services. Sixty-nine of the 72 broadcasters exceed the minimum requirements, but I will continue to press them to provide an efficient service.

Chris Bryant (Rhondda) (Lab): In 2007, News International's lawyers, as we now know but have recently learned, wrote to senior management at the *News of the World*, including James Murdoch, to make it explicit that the "sole rogue reporter" line was completely untrue. Does the Secretary of State really believe, with BSkyB's annual general meeting coming up on 29 November, that James Murdoch is a fit and proper person to chair the company any longer?

Mr Hunt: The hon. Gentleman has campaigned extensively on this. The most important thing is that the truth comes out. James Murdoch is speaking to the Select Committee, Lord Justice Leveson is conducting an inquiry and there are extensive police inquiries. It would be inappropriate for me to make specific comments on who should do what job before the inquiries are completed, but this Government launched the process to resolve this and are doing everything possible to ensure that we end up in the right place.

T7. [78199] **Matthew Hancock** (West Suffolk) (Con): Will the Minister commend the work of Attitude is Everything, which works extremely hard to promote disabled access to music venues? Going to a music concert is brilliant for the morale of many disabled people and people in wheelchairs, and access—

Mr Speaker: Order.

Matthew Hancock *rose—*

Mr Speaker: Order. The hon. Gentleman will resume his seat when asked to do so. He is making a very important point, but it must be made briefly, and that is the end of it.

Mr Vaizey: I received my hon. Friend's invitation and immediately sent it to my officials with a note stating, "This invitation comes from one of the most important Members of the House and a rising star, and we must take his concerns seriously." He raises the important issue of disabled access, which we have already discussed in relation to sport.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): The Government have spent the past year attacking FIFA following the World cup bidding process, but does the Minister think that a flimsy assurance from the organisation's president is sufficient guarantee that a Team GB Olympic football team will not compromise the footballing independence of Wales, Scotland, Northern Ireland and England?

Hugh Robertson: The key thing with FIFA is not what it says but what it does, and as far as the larger reform programme is concerned we will judge FIFA by its results. It has been absolutely categorical about this issue, and it is about time everybody stopped playing politics with it and remembered the athletes, who have an unbelievable opportunity to compete in a home Olympics. Can we get behind the athletes and stop playing politics?

Jo Swinson (East Dunbartonshire) (LD): My constituent Julia Donaldson is the author of many much-loved children's books, including "The Gruffalo", and she is also the children's laureate. As a passionate advocate of the benefits of reading for children, she is also concerned about the possible impact of library closures. Will the Secretary of State agree to meet Julia and a group of campaigners to discuss the issue?

Mr Vaizey: I have met Julia in the past, and I should be delighted to meet her again. I am not sure whether she wants to meet me, but if she did I would be delighted.

Jim Fitzpatrick (Poplar and Limehouse) (Lab): On the question of Olympic security, most competing nations will have training centres and cultural homes or houses. May I ask the Minister whether the list has finally been published, and seek an assurance that those venues will be protected during the course of the games?

Hugh Robertson: The final list has not yet been published, because negotiations are still ongoing and there is quite a long tail in Olympic terms, with smaller nations and so on and so forth; indeed, some of the larger ones are split between a number of venues. It is the responsibility of those nations to tie up security with the local police force, but that is very much part of the agreement and will be done.

Mary Macleod (Brentford and Isleworth) (Con): Now that the International Association of Athletics Federations has received an assurance that the athletics track will remain in the Olympic stadium, what has been done to help promote London as an outstanding city for the world athletics championships?

Hugh Robertson: I thank my hon. Friend for that question, which is a good one at the end of Culture, Olympics, Media and Sport questions. We have already had the evaluation commission in London; the Mayor and I spent two days with it. The bid comes up next week, and I am sure that everybody in the House will want to wish UK Athletics and the bid team—and probably even me as part of it—all the very best of luck, because it would be a fantastic tournament to bring home to this country.

LEADER OF THE HOUSE

The Leader of the House was asked—

Free Votes

1. **Mr Peter Bone** (Wellingborough) (Con): What progress has been made in implementing the Prime Minister's policy to hold more free votes in Parliament. [78161]

The Leader of the House of Commons (Sir George Young): The Government are committed to strengthening the opportunities for hon. Members to hold the Executive to account. We have introduced a number of measures to increase Back Benchers' power, including establishing the Backbench Business Committee, helping to facilitate the election of Select Committee Chairs and members, extending Select Committee powers over public sector appointments and relinquishing the Executive's power to call general elections.

Mr Bone: I obviously did not make my question clear enough; I was talking about free votes. Quite rightly, the Government have reformed a lot in Parliament and have done a very good job, but as a reformer, here is just a suggestion: between now and the end of the Session, could we have free votes in Committees to test out what the Prime Minister promised us in May 2009 and see how it works?

Sir George Young: For my hon. Friend, every vote is a free vote. The speech that my right hon. Friend the Prime Minister made referred to Public Bill Committees and suggested not total free votes but more free votes; and we have had more free votes in the House on certain issues which, in the previous Parliament, were whipped. Having said that, I hope my hon. Friend will understand that most of us got here wearing a party label, and that it is wholly legitimate for the party to expect some loyalty to the manifesto on which the Member stood.

Angela Smith (Penistone and Stocksbridge) (Lab): Since gaining the keys to No. 10, the Prime Minister has alienated at least 81 of his colleagues over the vote for the EU referendum and is yet to deliver free votes on other issues. Is it not the case that here we have a Government led by a cavalier Prime Minister, who is abandoning his cheap promises more quickly than he is distancing himself from his unhappy Tory Back Benchers?

Sir George Young: The hon. Lady would be speaking from a position of strength had her party not divided on precisely the same issue as the Government. It is an issue on which all parties were divided last week, and my right hon. Friend has not alienated 81 Back Benchers.

E-petitions

2. **Duncan Hames** (Chippenham) (LD): How many e-petitions he expects to have attracted 100,000 signatures on the Government's e-petition website by the end of July 2012. [78162]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): Since the launch of the site in July, five petitions have reached the threshold of 100,000 signatures, and three out of those five have already been allocated time for a debate. I am not able to predict precisely how many more petitions will reach the threshold by July next year, but the current rate demonstrates the significant interest and support that e-petitions have created.

Duncan Hames: There is, indeed, a significant interest. I am glad that the Backbench Business Committee has been able to schedule a debate on the FairFuelUK campaign's petition later this month, and I look forward to a debate now that our campaign for financial education in schools has reached 100,000 signatures on the e-petitions site. Given that petitioners will naturally expect to secure a debate once they reach that threshold, will my hon. Friend keep under review the amount of time that is allotted to the Committee this year?

Mr Heath: We have already made it clear that, in the light of the extended first Session of Parliament, the intention is to provide extra days for the Backbench Business Committee, which is doing a very good job of reflecting interests outside. The threshold is one of eligibility—making a petition eligible for debate. It is then for a Member of the House to take that forward, and for the Backbench Business Committee to decide whether it is a matter that has not been debated in some other form.

Gavin Shuker (Luton South) (Lab/Co-op): The substantive point is that when people outside the House are asked to sign a petition they expect it to be debated on the Floor of the House.

Mr Heath *indicated dissent.*

Gavin Shuker: The Deputy Leader of the House says no, but many of my constituents believe that to be the case. If that is so, and it is the Government's intention, will they make available such business in Government time, rather than relying on my colleagues on the Backbench Business Committee?

Mr Heath: That was never our intention for the petition site. It is a mechanism for allowing members of the public to express an interest in a matter, and it is for the Backbench Business Committee, which has the time available, to consider that. If we find that there is a huge oversubscription, of course we will have to look at it, and I think the Procedure Committee will want to do that in due course. It makes sense to do so. However, we must not lose the capacity for the House properly to consider legislative business as it should, or to consider matters raised by hon. Members, which is also important.

Parliament Week

3. **Jo Swinson** (East Dunbartonshire) (LD): What steps he has taken in support of the Parliament week initiative; and if he will make a statement. [78163]

5. **Christopher Pincher** (Tamworth) (Con): What steps he has taken in support of the Parliament week initiative; and if he will make a statement. [78165]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): I pay tribute to all hon. Members and staff of the House who are contributing to the excellent array of events in Parliament week. As part of that, my right hon. Friend the Leader of the House will meet members of the UK Youth Parliament, and will speak at the beginning of its debate in this place tomorrow.

Jo Swinson: I thank my hon. Friend for that reply, and associate myself with his remarks about congratulating all the staff involved in making the events possible. Parliament week is a fantastic initiative, with events around the UK, the BBC's "Question Time" in Westminster Hall, and the excellent UK Youth Parliament debate here tomorrow. What does my hon. Friend think can be done to extend the spirit of Parliament week in promoting democratic engagement to the other 51 weeks of the year?

Mr Heath: I commend my hon. Friend for her contribution; I understand that she took part in a young people's "Question Time" event on Monday evening before an audience of more than 200. That was excellent. Engagement with the public, particularly with young people, is extremely important. The programme takes place not just in this place in Westminster; the whole point is to take that engagement out to the country, using a variety of methods. My hon. Friend makes a very good point that it should not be just for one week a year. We must make sure that the general public understand what the House is for, and how they can engage with it. We are determined to make that a reality every week of the year.

Christopher Pincher: Following on from what the Deputy Leader of the House has said, as part of Parliament week I gave a tour of Parliament for sixth-formers from Landeau Forte college this week, and next week I will see students from Rawlett college. What can the Government do every week of the year to make sure that students learn more in schools about our Parliament and its history, so that they are more engaged with Parliament and the democratic process?

Mr Heath: I commend the hon. Gentleman for his involvement with young people. As I said, we must build on the extremely good work being done by the Department for Education, the education services in the House and others to make that a reality. A variety of things are happening that may engage the interest of young people. For example, there is even a parliamentary week app for tablets. I have downloaded it, and it is very good. The only drawback is that for some obscure reason, it has a 12-plus rating on the grounds of mild or occasional sexual content, nudity, fantasy violence, alcohol and drug abuse, profanities and crude humour—all of which are far from the normal life of hon. Members.

Dame Anne Begg (Aberdeen South) (Lab): I took the opportunity to write to all the schools in my constituency to inform them about Parliament week and the excellent resources that were available to them. As a result, I was at a school last Friday and I will be visiting another school tomorrow. Does the Deputy Leader of the House know how many hon. Members have actively taken part in promoting and attending Parliament week events? How will he encourage those who have not participated on this occasion, to make sure that they do so next year?

Mr Heath: The honest answer is that I do not know how many hon. Members have taken part, but from speaking to colleagues around the House, it seems that a significant number have done so. Those who have not done so have missed an opportunity, and let us hope that they will do so at different stages, not only during Parliament week next year but throughout the year, as the hon. Lady suggests.

Ian Paisley (North Antrim) (DUP): The promotion of Parliament is of course a noble cause. However, does the Leader of the House agree that the continuation of allowing Members who do not take their seats in this place to claim expenses from this place, to claim offices in this place, and to claim salaries from this place is a scar on Parliament? When is he going to bring a comprehensive statement to this House—

Mr Speaker: Order. I have allowed the hon. Gentleman to place his thoughts on the record on that very important matter, but unfortunately it does not relate to Parliament week, and therefore we will have to leave it there for today.

Pre-legislative Scrutiny

4. **Simon Hughes** (Bermondsey and Old Southwark) (LD): What plans he has for future pre-legislative scrutiny of Government legislation; and if he will make a statement. [78164]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): The Government recognise the value that pre-legislative scrutiny can add and we are committed to seeing more measures published

in draft. So far this Session, we have published draft measures on Lords reform, financial services, defamation, detention of terrorist suspects, individual electoral registration and electoral administration, and a groceries code adjudicator. The Government expect to publish further measures in draft this Session, including on parliamentary privilege.

Simon Hughes: I am seriously grateful to my hon. Friend and to the business managers for arranging more pre-legislative scrutiny, which is very important. Can he assure us that, as the plans are laid for the next parliamentary year, starting next May, all Departments understand the benefit of, and the priority for, pre-legislative scrutiny and the disbenefit of introducing Government changes to Government Bills after they have been published?

Mr Heath: I am grateful to my right hon. Friend. That is exactly the point that we repeatedly make to Departments: it is in everyone's interests including theirs that we have proper scrutiny, because better legislation has an easier passage through the House. Increasingly, we have dealt with measures rather than whole Bills, because when a measure is ready for publication it makes sense for the House to have an opportunity to scrutinise and improve it prior to the publication of a Bill.

Diana Johnson (Kingston upon Hull North) (Lab): Can the Deputy Leader of the House therefore give a guarantee that in future all Bills will have had pre-legislative scrutiny before they get on to the Floor of the House, so that we do not have the debacle that we had over the Health and Social Care Bill?

Mr Heath: I cannot give that guarantee any more than the previous Government, of whom the hon. Lady was a supporter, could give it. There will, for instance, be Bills that start in the Lords, where there is a different procedure, which means that they would not be subject to pre-legislative scrutiny in this House. However, it is our intention, wherever possible, to ensure that it happens. Inevitably, there is a slightly different position with an incoming Administration, when it is in no one's interests for the House to do absolutely nothing for six months while we await Bills for pre-legislative scrutiny.

Access to Ministers

6. **Hugh Bayley** (York Central) (Lab): What steps he is taking to improve access for hon. Members to Government Ministers and officials. [78166]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): The Government are committed to hon. Members having access to Ministers and, where appropriate, Government officials. My right hon. Friend the Leader of the House has recently taken up a number of cases with his ministerial colleagues where it was felt that meetings with Ministers were not forthcoming. If the hon. Gentleman has any specific concerns, my right hon. Friend and I will be happy to take them up on his behalf.

Hugh Bayley: I am grateful for that reply. I have never been admitted to a Government Department—at least, not since I was a Minister—without having a prior appointment, showing my parliamentary pass, and being accompanied by a pass-holding civil servant. How was Adam Werritty able to avoid those restrictions? Will the Government regularly publish details of all official meetings between Ministers and other people to reassure Parliament that access to Ministers is transparent and not partisan, and based on need and Government policy?

Mr Heath: The report from the Cabinet Secretary has been published, and changes in the ministerial code have been put in place. Clearly things happened in this instance that have been regretted and have resulted in changes, but I do not think we should have free access to Departments. It is very clear that that is also the Prime Minister's view.

Miss Anne McIntosh (Thirsk and Malton) (Con): The Leader of the House is aware of my interest in having access to Ministers taking decisions in Europe, and particularly in Back Benchers having the power to amend draft regulations. Rather than being able to amend a motion to hold Ministers to account, may we please have the power to amend the actual implementing regulations?

Mr Heath: I think we have strayed a little far from the original question, which was on access to Ministers, but—*[Interruption.]* The hon. Member for Rhondda (Chris Bryant) says more from a sedentary position than he does standing up, and that is saying a lot. *[Interruption.]* He is carrying on doing it now. *[Interruption.]*

Mr Speaker: Order. I want to hear the Deputy Leader of the House.

Mr Heath: I am so glad somebody does.

The hon. Member for Thirsk and Malton (Miss McIntosh) raises an important point. She may like to approach the Procedure Committee, because it is really a question of procedure, rather than one of access to Ministers, on which I might reasonably be expected to have some impact.

Back-Bench Business

7. **Natascha Engel** (North East Derbyshire) (Lab): If he will establish a regular day of the week in sitting time for Back-Bench business. [78167]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): This issue could be considered as part of the review of the operation of the Backbench Business Committee. The hon. Lady knows, because we have had discussions, that we hope that will be undertaken fairly soon.

Natascha Engel: I thank the Deputy Leader of the House, but what reasons can he give for not having a regular slot? Would it not just be much, much easier?

Mr Heath: The hon. Lady will recall that she sat on the Wright Committee. I did not, but she did and so did my right hon. Friend the Leader of the House, and we were committed to putting into effect the recommendations of the Wright Committee. She will recall that the Committee stated, in paragraph 214 of its report, that

"it could be left open to a process of regular discussion and negotiation as to which day of each week would be devoted to backbench business. This would avoid the rigidities referred to above."

We have simply taken that recommendation—she may or may not have agreed with it, because I know she did not agree with all of what the Wright Committee recommended—and put it into effect. I have to say, there are advantages to having that flexibility.

Civil Society Select Committee

8. **Alun Michael** (Cardiff South and Penarth) (Lab/Co-op): What plans he has to bring forward proposals for a Select Committee on Civil Society; and what representations he has received on the remit of any such committee. [78813]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): In light of the recommendations of the Wright Committee that the House should reduce the number of Committees and end overlapping or duplicate remits, we have no plans to do so.

Alun Michael: It is very interesting that the Cabinet Office website, which announced with great passion that that Committee would be provided, does not record the withdrawal of that offer. Why has the Government's decision been reversed, and why is it being kept secret?

Mr Heath: The establishment of Committees is a decision for the House, not the Government, as the right hon. Gentleman will be aware. The Cabinet Office is scrutinised by the Public Administration Committee, which is currently undertaking an inquiry into civil society entitled "Smaller Government: Bigger Society?" I pay tribute to the hon. Member for Harwich and North Essex (Mr Jenkin) and his Committee for their work on that matter and on other issues that are important to the Government. The matter is being looked at by a parliamentary Select Committee.

Mr Speaker: From that hon. Member we can now hear; I call Mr Bernard Jenkin.

Mr Bernard Jenkin (Harwich and North Essex) (Con): May I thank my hon. Friend the Deputy Leader of the House for that answer?

Mr Heath: Yes, he may.

Eurozone Crisis

11.34 am

Mr Peter Bone (Wellingborough) (Con) *(Urgent Question):* To ask the Chancellor of the Exchequer to make a statement on the euro crisis and its implication for the United Kingdom.

The Financial Secretary to the Treasury (Mr Mark Hoban): Hon. Members will be aware of recent developments in the eurozone. My right hon. Friends the Prime Minister and the Chancellor of the Exchequer are at the G20 meeting in Cannes as we speak, and we understand that the Greek Cabinet is due to meet imminently as well. We will not be providing a running commentary on the market and media speculation of those events, but I can reassure the House that the Prime Minister will be making a statement to the House on Monday.

What is clear, however, is that the instability in the eurozone continues to have a chilling effect on the rest of the European, the UK and the entire global economy. As the Chancellor has said, a resolution to that crisis is in our vital national interest. It is vital that the eurozone members reach a solution that is coherent, comprehensive and lasting. Last week, European Heads of State reached an outline agreement that laid out a blueprint to resolve the crisis. It was a three-pronged strategy. First, weak European banks should be recapitalised. Importantly, in the assessment of the European Banking Authority and our own regulatory authorities, no British banks require additional capital, which is an important expression of confidence in the country's banking system.

Secondly, the unsustainable position of Greece's debts should be resolved. In particular, a headline agreement was reached to reduce the Greek debt to gross domestic product ratio to 120% by 2020, through an additional €30 billion of euro area money and private holders of Greek sovereign debt being asked to accept a nominal write-down of 50%. Thirdly, eurozone member states should reinforce the bail-out fund to create a firewall, either by using the fund to insure new debt or by attracting public and private investors through a special purpose vehicle. Both mechanisms are designed to have the capacity to leverage around €1 trillion. This package demonstrated the commitment of the euro area member states to stand behind the single currency. It was progress, but more details are needed on how it will work.

Right hon. and hon. Members will be aware, however, of developments in Greece since that agreement was reached last week. There is no doubt that the decision by the Greek Prime Minister has added to the instability and uncertainty in the eurozone. Ultimately, it is up to Greece to make its own decisions, but it is critical that all parties stick to the deal that was agreed last week. That agreement is an important part of the economic recovery here in the UK, across Europe and across the global system. If the euro area collectively does not decisively sort out its ongoing problems, the uncertainty that that creates and its impact on global confidence will continue to undermine economic recovery across the world.

This is uncertainty that the global economy can ill afford, and uncertainty that has been a drag on all our economies for months. We will continue to urge our euro area counterparts to press for a decisive resolution of the crisis at the G20 at Cannes over the coming days, but at no point have we committed any British taxpayer money—not to Greece, not to the bail-out fund.

I want to address directly the question of UK commitments through the International Monetary Fund. Britain has always been one of the largest shareholders in the IMF, and there may well be a case for further increasing the resources of the IMF to keep pace with the size of the global economy. We stand ready to consider the case for further resources if necessary, but let me be clear: we are only prepared to see an increase in the resources that the IMF makes available to all its members. We would not be prepared to see IMF resources reserved only for use by the eurozone. The IMF can use its expertise to help administer its fund, but it can only lend to countries with a programme for adjustment. A potential special purpose vehicle for the euro area bail-out fund does not fit that bill.

Last week's announcement, however, was only the first step to resolving the immediate crisis. In the long term, it is vital that the euro area members follow the remorseless logic to closer fiscal union. It is equally vital that we work together to improve competitiveness in the peripheral countries of the eurozone, as well as the overall competitiveness of the European bloc in the world economy.

The ongoing instability in the euro area is a vindication of the Government's decision to get ahead of the curve, cut our own deficit and improve our economic competitiveness. Our decisive action to cut the deficit means that the UK has stayed out of the storm, and is the reason we have gilt yields close to the likes of Germany, rather than similar to those of Greece, Italy or Spain. We will encourage our euro area counterparts to do the same over the coming weeks. As I said, the Chancellor and Prime Minister are in Cannes. It is vital that leaders commit in Cannes to increase confidence in the global economy, agreeing the detail of the euro area rescue. The Prime Minister will update the House on Monday.

Mr Bone: I thank you for granting this urgent question, Mr Speaker, and the Minister for his full response.

It has long been argued by Conservative Ministers that retaining the pound and allowing it to float in line with market conditions has enormous benefits for the British economy. If the British economy is having a difficult time, the value of the pound will fall, which makes exports cheaper and foreign companies' imports more expensive, thereby increasing growth, jobs and prosperity in the United Kingdom. Equally, Conservative Ministers have always argued that the Bank of England's ability to set UK interest rates allows the country to encourage growth in a recession and control expansion in a boom.

Both those powerful economic weapons are being denied to Greece, as it is in the euro straitjacket. Will the Minister explain why it is the Government's policy to deny Greece a way out of its economic crisis by allowing it to withdraw from the euro and re-establish the drachma? Does he think it was a mistake for the German Chancellor and the French President to increase the crisis by making the Greek referendum on the bail-out a referendum on whether Greece remains in the euro? Does the Minister agree that the Greek Government

[Mr Bone]

were right to consult their people on the proposed austerity measures, so that if the country votes yes, they will have a mandate to drive through the reforms? What other countries does he think would come under market pressure because of the instability of the euro? Were the President of France and the Chancellor of Germany right to say that they wanted to save the euro at any cost, rather than putting the interests of Europe first? Finally, do the Government have a comprehensive contingency plan for when the euro collapses?

Mr Hoban: I am grateful to my hon. Friend for his question and his response to my statement. He is absolutely right: it was right for this country to stay out of the euro. That is the settled position of the coalition Government, and it is the right position to adopt. However, that was a decision that the people of this country made. It was not made under duress from other countries; it was a free choice that we made. On that basis, it is better for the Greeks to make their own decisions than for us to offer them advice.

My hon. Friend asked about contingency planning. He would expect every good Government to have plans in place to cover a range of eventualities, and this Government are well prepared for any eventuality.

Chris Leslie (Nottingham East) (Lab/Co-op): The Minister should at least have the grace to admit that the reason we are not in the euro is because of decisions by the Labour Government.

Clearly there are major ramifications from the uncertainty in Greece. With the Greek Treasury due to refinance €8 billion on 19 December, time is of the essence. The Minister has told the House that UK banks have more than £2 billion of direct exposure to Greek sovereign debt, so what assurances did the Prime Minister seek from his Greek counterpart at last week's summit about the implementation of that deal?

The market pressures on the Italian Government are now considerable. Can the Minister reassure the House that the Treasury is preparing for all eventualities? Will he confirm that UK banks have an estimated €10 billion of exposure to Italian sovereign debt? The Italian Government have been unable to agree a deal on structural reforms ahead of this week's G20 meeting. While the UK has in the past offered bilateral loan aid to Ireland, clearly we would want to avoid being drawn into more significant loans to larger countries. Will the Minister therefore explain whether, in general, the Treasury will entertain support only via the IMF, or could bilateral loans be on the agenda on a case-by-case basis?

Does the Minister believe that the €1 trillion bail-out fund will be sufficient if other eurozone countries are drawn into the danger zone? Will the Greek referendum delay the establishment of the fund?

On the IMF, the Minister knows that many people are anxious to safeguard the interests of British taxpayers, and it would be wrong for the British people to pay twice over—through temporary, ongoing EU funds and the IMF. Does he therefore agree that the eurozone should not rely principally on IMF money for the bail-out and that there can be no excuses for eurozone countries not putting up their own resources? If we are to see a full and permanent euro bail-out fund, we agree that our role should be through the IMF, but what does the Treasury expect will be the scale and timing of any further increases in IMF funds for the eurozone, however they are described?

Finally, with our own growth so weak and with unemployment rising, the Chancellor must surely be regretting his claim that the UK is a "safe haven". When will the Government take urgent steps to bolster the strength of our own economy to insulate us properly from this international turbulence? Is it not now abundantly obvious we need an immediate plan to boost jobs and growth here in the UK and across Europe? What will the Prime Minister be proposing to boost growth when he meets his G20 colleagues? The Government continue to play a dangerous ideological game, but it is time that they stepped up to the mark and opted instead for a proper strategy for jobs and growth.

Mr Hoban: Let me first tackle this issue of who kept us out of the euro. The fact that a previous Conservative Government secured an opt-out from the Maastricht treaty meant that we were not going to join the euro. Also, one of the things that we did when we came into office last May was to close down the euro preparations unit in the Treasury. We are taking action on contingency planning for a whole range of outcomes, and that work is under way in the Treasury.

The hon. Gentleman asked whether work would be put on hold on the three legs of the deal that was agreed last week. It is important that the euro area continues to work on those three legs, particularly on the ring fence and on the recapitalisation of the banks. They are important parts of the package, and they are needed to ensure that the eurozone is stabilised. He talked about the various European mechanisms that are in place to support finance. He will remember that the Greek bail-out was originally paid for purely by the eurozone; the UK did not contribute to it and has not contributed to subsequent parts of the bail-out package for Greece. We have negotiated that when a permanent mechanism is put in place to replace the one that the previous Government signed us up to, which we do have to contribute to, that permanent mechanism will not require UK participation. That is an achievement of this Government, getting us out of the mess that the Labour Government put us into in May last year.

The hon. Gentleman referred to the IMF. He will have to remember that it was he who led opposition to increasing our subscription to the IMF—*[Interruption.]* He says that that was to safeguard Britain's subscription to the IMF, but it would in fact have marginalised the UK in international debates on tackling the global economic problems that we face today. Labour should think very carefully about its repudiation of the legacy left to it by the previous Prime Minister, who agreed to a trebling of resources for the IMF. We need to take action to stabilise the situation in the eurozone. The uncertainty is casting a chilling effect on the UK economy, and it is important that those issues are tackled as soon as possible.

Mr Andrew Tyrie (Chichester) (Con): I wonder how much we can reasonably learn from the Minister, given that the negotiations are taking place in Cannes and that he is here with us today. Anyway, there are one or two questions that we might ask. What assurance can

he give us about the UK banks' exposure not only to Greece but to other eurozone countries at risk? What confidence does he have that the eurozone banks have the capital strength required to withstand a eurozone default?

Mr Hoban: My hon. Friend asks some interesting questions. I think that I would rather be here in the House than in Cannes at the moment—*[Interruption.]* It is important that Parliament should hold Ministers to account on these matters, and I am here to answer its questions. On my hon. Friend's first question about the strength of the UK banks, there has been a process with the leadership, through the European Banking Authority, which is based here in London, and it concluded that the UK banks did not need to be recapitalised. That is partly a consequence of the measures taken over the past two or three years to increase banks' holdings of capital and highly liquid assets, which have helped to ensure that they are to an extent insulated from the problems in the euro area.

On my hon. Friend's wider question about the strength of the European banks, I can tell him that, in calculating the amount of additional capital that banks should hold, the EBA determined that they should hold 9% core tier 1, and that, crucially, their holdings of sovereign debt should be marked to market rather than held at face value. That led to the calculation that banks across Europe need to hold an additional €100 billion of capital.

Keith Vaz (Leicester East) (Lab): May I urge the Minister not to join others who are criticising Greece for its decision to hold a referendum? George Papandreou is a decent and honourable man, and at the end of the day, if he wishes to put this to the Greek people, it is a matter for them. Whatever their decision—I hope that they will vote to accept the bail-out—we should accept it. This is a country that has voted with us on the European Council on many occasions over the last 20 years.

Mr Hoban: The right hon. Gentleman makes an important point. This is a matter for the Greek people and the Greek Government to decide. That is a principle to which I am sure everyone in the House would wish to adhere.

Mr William Cash (Stone) (Con): The Minister will know that the presidency conclusions last week set out 10 new areas of European economic governance. What is the legal basis in the existing treaties for the creation of these new areas of governance and for the creation of a euro summit? Was the Prime Minister asked to give UK consent? Did he give his consent or were the Government bypassed? As Chairman of the European Scrutiny Committee, I would be grateful for specific answers to those questions.

Mr Hoban: My hon. Friend will be aware that a number of actions have been taken throughout this crisis intergovernmentally rather than through the institutions of the European Union. That applied to the creation, for example, of the European financial stability facility. There are ways in which actions can be taken that do not depend on the treaty because they are done between Governments rather than between Governments and the European Commission.

Chris Bryant (Rhondda) (Lab): The Minister said something very interesting earlier. He used a phrase that I do not think I have heard a Minister of either side ever use before, which was the remorseless drive towards fiscal union—and, as I understood it, in an approving sense. The danger of that, of course, is that we will end up supporting for the first time a two-speed—a two-tier—Europe, with us very definitely at the second speed and in the second tier. Is that really what he wants?

Mr Hoban: We have always accepted that the remorseless logic of monetary union is closer fiscal integration. I believe that this crisis demonstrates that monetary union needs to be underpinned by closer fiscal integration. That is not a new expression on my part; I said nothing novel; the Government have taken this view for some time. We need to ensure that the institutional arrangements are in place to support that. What I think hon. Members on all sides of the House want is a stable eurozone because it will contribute towards economic recovery in the UK.

Mr John Redwood (Wokingham) (Con): As joining a single currency is like taking out a joint bank account with the neighbours, when does the Minister think the neighbours will agree how much overdraft they can afford and who gets to pay the bill for it?

Mr Hoban: My right hon. Friend will recognise that the agreement that was reached in the European Council last week and then later in the summit of eurozone Governments was on what size the bail-out for Greece should be and what the ring fence should be around that. We welcome last week's announcement. What is very clear, however, is that more work needs to be done on those questions—particularly what the size of the overdraft will be and who will pay for it. We need eurozone leaders to move that forward as quickly as possible.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Part of Europe's plan to get Europe and the eurozone out of this mess is the introduction of a financial transaction tax. Will the Minister confirm from the Dispatch Box that such a tax could be introduced through qualified majority voting and that this is essentially own resources, just by another name?

Mr Hoban: I have to tell the hon. Lady that I am not entirely clear what role a financial transaction tax would play in resolving this crisis. The EU's own impact assessments on that tax demonstrated that it would lead to lower employment and lower growth across Europe. I do not think that that is in any way going to help tackle the problems in Europe when what we need is more investment, more jobs and more growth.

Stephen Williams (Bristol West) (LD): I think we all heard my hon. Friend the Member for Wellingborough (Mr Bone) advocate Greece's withdrawal from the euro, and a worryingly large number of his Conservative Back-Bench colleagues seem to will the destruction of the euro area. Does the Minister agree that a fragmentation or break-up of the eurozone is not in our economic interest or indeed the national interest?

Mr Hoban: We have made it very clear that the instability and uncertainty in the eurozone has a chilling effect on the UK economy. What our actions have been driving towards over the course of the last few months

[Mr Hoban]

is encouraging our partners in the eurozone to take the action needed to tackle the problems so that we can see economic growth strengthened across the whole of the European Union.

Mr Dennis Skinner (Bolsover) (Lab): I wonder whether the Minister has seen the film "Groundhog Day". I was here in the early '90s with another Tory Government, another euro crisis and another Prime Minister battling for his life—the same players, only this time there are about 40 more Tory rebels. It finished up with a Prime Minister being kicked out of office.

Mr Hoban: I am afraid that I am reminded of "Groundhog Day" every time I hear the hon. Gentleman speak.

Mr Bernard Jenkin (Harwich and North Essex) (Con): Why are the Government advocating fiscal union? I put it to the Minister that the words "remorseless logic" are, in fact, a cover for a policy preference, and that the remorseless logic of the present situation is that fiscal union will be economic dictatorship, that it will fail and that we had better be planning for something else.

Mr Hoban: I think my hon. Friend would recognise that if a monetary union is to be successful, it requires closer fiscal integration. That is a precondition of the success of monetary union. When the decision was made to opt out of the Maastricht treaty and to keep sterling, one reason for doing so was that monetary union had to be underpinned by fiscal integration. One follows the other as surely as night follows day. That is why I think we were right to take that position then and we are right now to encourage the eurozone, if it wants the euro to be successful, to move towards closer fiscal integration. Frankly, if it does not, it will cause huge economic damage to all of us.

Tony Lloyd (Manchester Central) (Lab): Is it not a matter of plain fact that the Government's negotiating position and therefore the protection of our national interest is hamstrung because all the time this Minister and his colleagues have to address the Eurosceptics? Britain has got to be involved in these negotiations through the IMF and at Cannes. The Minister needs to face down his Eurosceptics and explain why, if the euro goes down, we lose.

Mr Hoban: I find the position adopted by Labour Members quite curious. They want us to be at the top table, yet they voted against the increase in our subscription to the IMF, so we would not be at the top table. I believe we have played an important role through European Councils by trying to push our eurozone partners to make progress on tackling problems in the eurozone. We are very clear that matters such as the completion of the single market, competition and financial services should be dealt with by all 27 member states, not by the 17. I believe that this Government are punching way above their weight.

Andrea Leadsom (South Northamptonshire) (Con): If the remorseless logic of greater fiscal union proves to be true, can my hon. Friend tell us what steps he intends to take to ensure that Britain's voice is still heard under QMV?

Mr Hoban: That takes us back to the answer I gave to the hon. Member for Rhondda (Chris Bryant)—that when it comes to discussions about future institutional changes in the EU, we need to ensure that Britain's interests are safeguarded. Matters such as competition, financial services and the single market should be dealt with by all 27 member states, and we will be relentless in our pursuit of the national interest in that context.

Jeremy Corbyn (Islington North) (Lab): Does the Minister agree that condemnation of the Greek people's right to have a referendum is entirely incorrect and that they do have that right to hold a referendum; that the people of Greece have suffered greatly through cuts, wage reductions, cuts to pensions and everything else—and they are due to suffer even more—and that it is entirely wrong for the eurozone leaders to try to impose a Government of so-called national unity on the people of Greece to drive through an austerity package without giving the people a choice to decide themselves on their own future?

Mr Hoban: I do not think anyone in this House is suggesting that we interfere in the decisions to be made by the Greeks.

Mark Lancaster (Milton Keynes North) (Con): What would be the consequences of the UK failing to pay its IMF subscription?

Mr Hoban: We would lose our seat on the IMF board; we would lose credibility in international economic debates; and we would lose our influence on measures to solve global economic problems. We would become marginalised—rather like Labour Members when it comes to their contributions to economic debates.

Mr Ben Bradshaw (Exeter) (Lab): In 2009, when the world faced economic catastrophe after the banking collapse, there was real leadership at the G20 summit in London, which helped to avert a disaster and put Britain back on to a path of growth. Where is that leadership now, and where is the plan for growth?

Mr Hoban: I thought that the outcomes of that G20 summit were very impressive. I particularly welcomed the achievement of the previous Prime Minister in agreeing a commitment to treble the resources available to the IMF, but the right hon. Gentleman, along with his colleagues, voted against that commitment.

Joseph Johnson (Orpington) (Con): According to the BBC's economics editor, Stephanie Flanders, the European Commission said this morning that any country that left the euro would also have to leave the European Union. Is that the Government's understanding of the EU treaties?

Mr Hoban: I am not a constitutional lawyer, for my blessings, but it is plainly necessary to establish the legal basis for any such action. I am not aware of what the Commission has said, and I think it very dangerous for us to engage in speculation on the subject.

Michael Connarty (Linlithgow and East Falkirk) (Lab): It is obvious that, like many other Members in the Chamber, the Minister has not read the Lisbon treaty,

because the hon. Member for Orpington (Joseph Johnson) is right. I give way to no one in my support for the IMF—as is clear from the way in which I voted—and my support for the recapitalisation of the banks, but the reality is, surely, that the ordinary people of Greece will go through a massive amount of pain, whereas the bankers, both here and there, will walk off with the money. We are looking after the banks, not the people, so is it really surprising that the Greek people may want to reject the proposal that the Government were involved in placing on their backs?

Mr Hoban: We all recognise that difficult decisions are involved in the tackling of fiscal deficits, and those decisions must be made. It is owing to this Government's actions that our interest rates are similar to those of Germany, while our deficit is at the same level as that of Greece.

Mr John Baron (Basildon and Billericay) (Con): May I suggest that my hon. Friend should not listen too closely to what is said by Labour Members, given that this crisis is about debt, and given that the last Labour Government more than doubled the national debt? *[Interruption.]* Yes, they did.

Having said that, may I ask whether my hon. Friend agrees that the set of measures put together by the euro leaders are nothing more than a sticking plaster? They do not address the central cause of the problem, which is a lack of competitiveness. If countries cannot pay their way, this issue will come back to haunt them.

Mr Hoban: My hon. Friend is absolutely right. We need fiscal entrenchment across the eurozone to take place in the same way as we are tackling a fiscal deficit here in the United Kingdom. However, we also need measures, in Europe and elsewhere, to promote growth. That is one of the key areas in which the Prime Minister has been influential, shaping a debate in Europe and persuading European leaders to recommit themselves to improving measures to promote growth and bring about the recovery that the eurozone economy needs.

Natascha Engel (North East Derbyshire) (Lab): If UK taxpayer money is being paid to the IMF and the IMF is paying towards the eurozone bail-out, how can the Minister guarantee that no UK taxpayer money is going towards the bailing out of the eurozone?

Mr Hoban: The money that nations contribute to the IMF goes into its general resources. I believe that there are currently 53 IMF programmes, only three of which are in the eurozone. We have made clear that if the IMF needs to increase its resources to tackle some of the global issues that face economies at present, we will listen to its requests.

Mr Julian Brazier (Canterbury) (Con): While I strongly support my hon. Friend's tough domestic stance on fiscal matters, may I suggest that, in view of the borrowing problems in Italy, the 20% fall in the monetary base in Portugal and similar problems in Spain, there is a strong case for moving the Cannes conference to the gardens of Versailles?

Mr Hoban: My hon. Friend's question highlights some of the challenges that are being faced in the eurozone. Wherever the summit is being held—in Cannes or in Versailles—what is important is action arising from it that will put eurozone economies back on the right path.

Helen Jones (Warrington North) (Lab): The Minister has signally failed to answer the questions put to him about the plan for jobs and growth. Will he now tell us exactly how the Government propose to ensure that we get demand back into the economy and tackle unemployment, which is the only real way out of this crisis, and how we are to exercise influence in Europe to secure a similar euro-wide plan?

Mr Hoban: One of the best ways of putting more money in the pockets of families and giving business men more money to invest in their businesses is to keep interest rates low. Borrowing more, which is the Labour party's prescription, would simply put our interest rates at risk, so that households would have less money in their budgets and businesses would be strapped for cash. We will take no lessons in how to handle our economy from a party that doubled the national debt.

Laura Sandys (South Thanet) (Con): The IMF is a collective that is there to build greater economic stability. Why should our approach to funding economic stability in Mexico, the Philippines or Peru be different from our approach to funding it in Greece?

Mr Hoban: My hon. Friend has made an important point about the global role of the IMF. It is there to support economies that face challenging circumstances. There is a range of programmes in 53 states, and it is right for the IMF to have the resources that it needs if it is to help to stabilise the global economy.

Mr David Winnick (Walsall North) (Lab): Why are the EU leaders so fearful of democracy? In view of the massive cuts that are to be imposed on the Greek people under the deal that was negotiated this week, what sort of democracy would it be if they were denied the opportunity to say yes or no?

Mr Hoban: I do not think that anyone in the House is suggesting that the Greek people should not be in charge of their own destiny.

Mr David Nuttall (Bury North) (Con): Does the Minister agree that the International Monetary Fund should not be expected to do what the European Central Bank is incapable of doing simply because of a lack of political will on the part of eurozone countries?

Mr Hoban: My hon. Friend has made a good point, but I think it important for the institutions in the European Union to work together to ensure that there is a return to economic and financial stability.

Mr Andrew Love (Edmonton) (Lab/Co-op): Is not the problem in Greece a lack of growth and no sign of growth in the future? Is not the problem in the eurozone a lack of growth and no sign of growth in the future? Is that not also the problem in the United Kingdom? When will the Government respond to the need for jobs and growth, not just here in the UK but throughout Europe?

Mr Hoban: There must be structural reforms to remove some of the barriers and blockages to growth, not just here in the UK but throughout the eurozone, and that is why we included a plan for growth in this year's Budget. The Chancellor will return to those matters in the autumn statement. I note, incidentally, that every time we propose a measure that would help to improve job prospects by tackling regulation and red tape, it is opposed by the Labour party.

Mr Desmond Swayne (New Forest West) (Con): Given the interpretation that was placed on his words by the hon. Member for Rhondda (Chris Bryant), will the Financial Secretary confirm that this has nothing to do with a two-speed Europe, and that whatever the speed at which the eurozone hurtles towards fiscal integration, we will not be following it at any speed at all?

Mr Hoban: My right hon. Friend is absolutely right. We in the coalition Government have made clear our view that we do not want to be part of the euro, and therefore need not take part in any process of closer fiscal integration.

Ian Paisley (North Antrim) (DUP): The Financial Secretary said that the Prime Minister would make a statement on Monday. Will it include the issue of the bilateral loan to Ireland, and will the Financial Secretary insist that if it does, it will address the way in which the National Asset Management Agency is now treating businesses here as a result of a soft loan from the United Kingdom?

Mr Hoban: I am not going to tell the Prime Minister what he should or should not say on Monday, but I am sure that he will have heard what the hon. Gentleman has said.

Several hon. Members *rose—*

Mr Speaker: Order. As the House knows, there is intense interest in this subject, which I am keen to accommodate. However, I must now insist on single short supplementary questions without preamble, and ask for the wonderfully succinct replies from the Minister to continue.

Charlie Elphicke (Dover) (Con): Does the Financial Secretary agree that, while much progress has been made over the last 18 months—demonstrated most recently by this week's excellent growth figures—we need measures to protect us from the implosion of the eurozone? What does he think are the best options to shield us from wider economic turbulence in that direction?

Mr Hoban: I think that what we need is the implementation of the three-point plan that was agreed last week in the eurozone.

Kevin Brennan (Cardiff West) (Lab): In the wake of the eurozone crisis, the latest polls show that the UK Independence party is within 1% of replacing the Liberal Democrats as the third party in British politics. Is not the relentless logic of both that and the rebellion of the 81 a Prime Minister lurching ever further to the right and isolationism on Europe?

Mr Hoban: That is a slightly bizarre question from the hon. Gentleman, from whom we expect better. We are engaged in the debates in Europe. We need to make sure we stand up for Britain's interests in Europe, which is why we are keen that areas of vital national economic interest—such as financial services, the single market and competition—are dealt with by all 27 member states rather than just the eurozone countries.

Claire Perry (Devizes) (Con): I am sure that my hon. Friend is aware that there are only 52 shopping days left before Christmas, so for ordinary Greek families now is a terrible time to be facing such economic uncertainty. Does he agree that Governments must live within their means and deliver stable financial policies for their people?

Mr Hoban: My hon. Friend is absolutely right. Fiscally prudent policies that tackle the deficit and get interest rates lower must be implemented across the eurozone, so countries enable their economies to grow.

Barry Gardiner (Brent North) (Lab): British banks are responding to the increased instability not only by tightening controls, but by tightening credit. How will the Government respond to the reduction in liquidity being made available to British business and ensure that firms are able to borrow and flourish?

Mr Hoban: As I said, British banks are better placed as a consequence of measures taken to strengthen their capital and improve their holdings of high-quality liquidity. We have also agreed lending commitments with Britain's major banks through Project Merlin, and the Chancellor has said he will announce further measures to improve the availability of credit in the autumn statement.

Christopher Pincher (Tamworth) (Con): Does my hon. Friend agree that we can only support a financial transaction tax if it applies internationally, rather than just to Europe? Does he further agree that because there is no international consensus in favour of such a tax, it will not be introduced?

Mr Hoban: We have said we are not against a financial transaction tax in principle, but it does need to be applied globally. The EU's own impact assessment demonstrates that an EU-only financial transaction tax would destroy jobs and increase unemployment. It is a bad idea at a time when Europe needs jobs and growth.

Angela Smith (Penistone and Stocksbridge) (Lab): Faltering economic growth is damaging economies not only in the EU, but across the globe, yet the Financial Secretary has today refused to acknowledge the damage his Government are doing to economic growth. When will they come up with a plan B?

Mr Hoban: Well, the plan B proposed by the Labour party would increase borrowing by £20 billion a year, potentially lead to higher interest rates—which would affect families throughout the country such as by adding to their mortgage payments—and increase the costs on business. I do not think this economy needs a plan B from the Labour party.

Tony Baldry (Banbury) (Con): Standard & Poor's has recently reconfirmed the UK's triple-A credit rating, but has made it clear that there will be downward pressure on that if the Government falter on fiscal consolidation. Yet is that not exactly what the Opposition are exhorting the Government to do: to falter on fiscal consolidation?

Mr Hoban: That is absolutely right: that is what Standard & Poor's said in its report last month. When we came into office, the country's credit rating was on negative outlook; now it is on stable outlook. That is a consequence of the action this Government have taken to tackle the mess left by the Labour party.

Derek Twigg (Halton) (Lab): Have the Government drawn a line in the sand for the amount of money they will not exceed if asked by the International Monetary Fund to contribute to a greater extent specifically to deal with the euro crisis?

Mr Hoban: What we have said is that it is important that the IMF has the resources it needs to tackle the problems of the global economy. We have yet to receive a request from the IMF, but once we do so, we will respond to it appropriately.

Jessica Lee (Erewash) (Con): My hon. Friend has mentioned the abolition of the euro preparations unit. In the current circumstances, will he assure the House that there is no prospect of the unit being resurrected as that would be a complete waste of public money?

Mr Hoban: My hon. Friend is absolutely right. I can think of far better ways to spend the money the previous Government wasted on preparing for the euro.

Geoffrey Clifton-Brown (The Cotswolds) (Con): Will my hon. Friend assure the House that before the IMF gives any money to bail out the eurozone, sufficient stringent financial conditions are put in place to ensure that there is a realistic prospect of that money being repaid?

Mr Hoban: My hon. Friend makes an important point. Stringent conditions are linked to the packages offered to Greece, Ireland and Portugal, to ensure that the money is used well and wisely, and that the structural reforms that are needed to generate growth in those countries are implemented.

Henry Smith (Crawley) (Con): I am very pleased that my hon. Friend has said that Her Majesty's Government are preparing contingency plans for the possible break-up of the eurozone, but can he confirm that they will not include the possibility of our joining the euro, as seems to be still the official policy of the Labour party?

Mr Hoban: I do not think there is any intention for us to join the euro at a time when it is breaking up. The only party in this House that seems to express an interest in joining the euro is Labour, whose leader, when asked when they would join the euro, said:

"It depends how long I'm prime minister for."

Paul Uppal (Wolverhampton South West) (Con): Does my hon. Friend agree that one of the most important lessons we can learn from this crisis is that if there had not been a change of Government in this country in 2010, we would be talking today in the Chamber about the UK sovereign debt crisis, not the Italian and Greek crisis?

Mr Hoban: My hon. Friend is right. If we had not taken the tough action we took when we came into office, the UK could be in the firing line, not just Greece and other eurozone member states.

Harriett Baldwin (West Worcestershire) (Con): Two-year Greek interest rates reached 100% this morning. Will the Financial Secretary remind everybody how important it is for jobs and growth that despite the fact that we have a higher deficit than the Greeks, our interest rates are closer to those of the Germans?

Mr Hoban: My hon. Friend hits the nail on the head. It is because we took that tough action and are tackling our deficit, and have a credible plan for putting our public spending back on a firm footing, that we have lower interest rates than countries with a lower deficit than ours.

Bob Blackman (Harrow East) (Con): This week we have witnessed the spectacle of the Greek Prime Minister being summoned, like a naughty schoolboy, to President Sarkozy's study for having the temerity to call a referendum in order to get the support of his people for the proposed austerity measures. Given that our deficit and debt levels are higher than Greece's, what does my hon. Friend think would be happening if we had adopted the policies of the Opposition?

Mr Hoban: I think we would find that our credit rating would be under pressure, as Standard & Poor's suggested in its report last month, and we know that when credit ratings are downgraded, the natural consequence is higher interest rates, which hits families and businesses and makes recovery harder to achieve.

Mary Macleod (Brentford and Isleworth) (Con): The Leader of the Opposition does not believe that the EU has too much power. Will my hon. Friend confirm that we will never go into the euro?

Mr Hoban: Yes.

Bob Stewart (Beckenham) (Con): My question is about Italy. Its interest rate is floating upwards and currently stands at about 6.5%, which is unsustainable. Will the Minister give us his views on Italy's problems, especially with regard to its just paying off its interest rather than repaying its debt?

Mr Hoban: Tempted though I am to respond to my hon. Friend's question, given the uncertainty in international markets I do not think it is helpful for Ministers of any country to give a running commentary on the finances of others.

Business of the House

12.18 pm

Ms Angela Eagle (Wallasey) (Lab): Will the Leader of the House give us the business for next week?

The Leader of the House of Commons (Sir George Young): The business for the week commencing 7 November will be as follows:

MONDAY 7 NOVEMBER—Money resolution relating to the Localism Bill, followed by consideration of Lords amendments to the Localism Bill. In addition, my right hon. Friend the Prime Minister plans to make a statement following the G20 summit.

TUESDAY 8 NOVEMBER—Motion to approve a European document relating to European budgets, followed by motion to approve a reasoned opinion relating to credit institutions, followed by Backbench Business Committee [un-allotted half day], which will include the presentation of the 10th report from the Transport Committee on high-speed rail, followed by a motion relating to the cost of motor insurance.

WEDNESDAY 9 NOVEMBER—Opposition day [unallotted day]. There will be a debate on youth unemployment and jobs, followed by a debate on individual voter registration. Both debates will arise on an Opposition motion.

THURSDAY 10 NOVEMBER—General debate on armed forces personnel.

The provisional business for the week commencing 14 November will include:

MONDAY 14 NOVEMBER—Consideration of Lords amendments.

TUESDAY 15 NOVEMBER—Motion relating to fisheries, followed by motion relating to fuel prices. The subjects for these debates were nominated by the Backbench Business Committee.

I would like to inform the House that we will meet at 11.30 am on Tuesday 15 November.

I should also like to inform the House that the business in Westminster Hall for 24 November 2011 will be:

THURSDAY 24 NOVEMBER—A debate on extradition.

Ms Eagle: I thank the Leader of the House for his statement. We meet for business questions in the middle of the first ever Parliament week, which aims to make people more familiar with the vital work that we undertake here. The theme is "Stories of democracy". From the Levellers to the suffragettes, there are many inspiring stories of the fight for the vote that we should celebrate in this place. It is more important now than ever, in these times of economic upheaval and insecurity, that we cherish and value our democratic traditions.

I am sure that the Leader of the House, like me, is looking forward to welcoming the UK Youth Parliament to these Benches tomorrow. With almost 1 million young people unemployed—the highest level since comparable records began—we certainly need to hear the voices of young people. I look forward to joining them at the start of their debate.

On Monday's consideration of the Localism Bill, does the Leader of the House feel comfortable with the chaotic way in which the Bill has been handled by the Government? Having resisted our arguments in Committee in this place, they promptly deleted or amended great chunks of the Bill in the other place. Ministers still have a problem with their own side on the national planning policy framework.

Tuesday's disappointing growth figures confirmed that the UK economy is still bumping along the bottom, when we need strong growth to get unemployment and the deficit down. Thanks to the Chancellor's rash choice to cut too far and too fast in his spending review last year, we are experiencing the slowest recovery from recession in 100 years. Will the Leader of the House admit that the Government will have to revise down the growth figures and revise up the amount of borrowing for the fourth time in 18 months? How many more times must the Chancellor come to this House and admit that he has got his sums wrong before we get a plan B?

It has been reported in the run-up to today's G20 meeting that the Treasury is preparing to increase our contribution to the International Monetary Fund bail-out funds, despite the Chancellor giving the impression to this House that there would be no additional contribution from the UK to help solve the eurozone crisis. Has he been entirely frank with the House? Is the attempt to claim that none of this money will end up supporting the eurozone not dancing on the head of a pin?

While nearly 1 million young people are worried about whether they will ever get a pay packet while this Government are in office, one small group of people are doing very well indeed. A report by Income Data Services showed that the total earnings of directors of FTSE 100 companies increased by an eye-watering 49% last year. That comes when public sector workers have a pay freeze and there has been a below inflation increase in the private sector.

In May last year, the Prime Minister trumpeted his creation of the fair pay review led by Will Hutton. The Secretary of State for Business, Innovation and Skills said of out-of-control executive pay:

"It is time to return to planet Earth."

Yet one year on from those comments and nine months after the Prime Minister received the report, executive pay continues to rocket out of control, unchecked by Government action. When will the Government bring to this House concrete proposals to do something about this matter? Does the Leader of the House not accept that until the Government act, no one will take seriously the Chancellor's preposterous claim that we are all in this together?

Has the Leader of the House seen today's damning report from the Fawcett Society, which accuses the Government of being responsible for the greatest risk to women's financial security in living memory? When will the Government start to listen to the growing chorus of women's voices that is demanding that they change course?

Finally, the House was shocked to discover that, despite announcements by the Prime Minister's spin doctors last November that Lord Young of Graffham had resigned, revelations have now surfaced that he never even left the building. We were told that he had resigned for embarrassing the Prime Minister by proclaiming that many people had

"never had it so good"

as since the start of "this so-called recession". It seems that he has continued to advise the Prime Minister at the heart of the Downing street machine. Can we have a statement from the Leader of the House on this Government's understanding of the definition of the word "resignation"? Will he please clarify the position of Lord Young—was his resignation a sham or has he somehow been unresigned?

Sir George Young: I look forward to welcoming the UK Youth Parliament to this Chamber tomorrow and to making a short preliminary address along with you, Mr Speaker, and the hon. Member for Wallasey (Ms Eagle). I hope that many of those young people will return in due course as Members when the Chamber is sitting, rather than on a non-sitting Friday.

We are to debate youth unemployment on Wednesday on an Opposition day. I remind the hon. Lady that youth unemployment went up by 40% under the previous Government, at a time when the economy was doing better than it is currently. The Opposition therefore have little to lecture us about on that.

The Localism Bill does not actually include the national planning policy framework. I hope that the hon. Lady will welcome what is happening on Monday, when we will spend a whole day on localism. There are a number of Government amendments that I hope will be welcomed on both sides of the House because we have listened to the debate on the Bill and made some changes.

On forecasts, the hon. Lady ought to know that the Government do not make economic forecasts. That is done by the Office for Budget Responsibility. Its next report will come out on 29 November when the Chancellor makes his autumn statement. Some of the issues that the hon. Lady raised in relation to the IMF have just been dealt with by my hon. Friend the Financial Secretary.

I am sorry that the hon. Lady did not find time to welcome the news from earlier this week about the revival of Stanley dock in north Liverpool, as a result of the regional growth fund, which will help to reduce unemployment in and around her constituency.

Finally, on executive pay, it is worth reminding the House that the average chief executive of a FTSE 100 company earned 47 times the amount earned by the average employee in 1998 and 115 times that amount in 2009, so the gap actually widened under the last Labour Government. I agree with the hon. Lady that there is an unsustainable disconnect between how our largest listed companies perform and the rewards that are on offer. Concern on that comes not just from Government, but from investors, business groups and others. We are considering ways to reform remuneration committees and to empower shareholders, for example by making shareholder votes on pay binding and ensuring that there is shareholder representation on nomination boards. We are consulting on a number of issues, but at the end of the day, it is up to shareholders rather than the Government to determine executive pay.

Philip Davies (Shipley) (Con): May we have a debate on transport funding? A recent survey showed that Bradford was seen as one of the most congested cities in the country. My constituency is probably the most congested part of the Bradford district. I am not asking for extra funding for transport, given the terrible financial legacy that this Government were left by their predecessor. What I am asking for is that Yorkshire gets a fairer slice of the transport cake and that Bradford gets an even fairer slice than that.

Sir George Young: I understand my hon. Friend's anxiety that a larger share of the transport budget should be allocated to his constituency to deal with congestion. There will be an opportunity at Transport questions on 10 November for him to press the case for more funding for his constituency with my right hon. Friend the Secretary of State for Transport, whom I will forewarn that my hon. Friend is on the way.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Does the Leader of the House share my concern, in this important and welcome Parliament week, that increasingly there are organisations and individuals in this country who do not believe in equal rights for women? Many of us put our heads in the sand and ignore this issue. It is something that worries me and my constituents, and this House should start to address it.

Sir George Young: I hope that the hon. Gentleman will welcome a number of initiatives that we have taken recently. For example, we are extending child care for women who work for fewer than 16 hours a week. Yesterday's statement by the Chief Secretary to the Treasury on the reform of pensions had much in it for women, who tend to have part-time and less well-paid jobs. They will gain from the reforms that we outlined. The hon. Gentleman makes his comments in a week when my right hon. Friend the Prime Minister announced proposals to change the rule of primogeniture for the monarchy. If one looks across the board, we have taken a number of steps to promote the cause of women.

Amber Rudd (Hastings and Rye) (Con): The Government have allocated a welcome £20 million to support advice agencies following changes to the Legal Aid, Sentencing and Punishment of Offenders Bill. May I press my right hon. Friend for more information on that £20 million so that advice agencies such as mine in Hastings can find out more about when and how it will be allocated?

Sir George Young: My hon. Friend is right to say that, in the summer, the Lord Chancellor announced £20 million for those providing advice. Announcements will be made shortly about the allocation of that fund, and I know the anxiety felt by the citizens advice bureaux that are waiting for it. I will remind my right hon. and learned Friend that there is a very strong bid from Hastings.

Valerie Vaz (Walsall South) (Lab): In a written answer to the hon. Member for Kettering (Mr Hollobone), the Cabinet Office said that the public duty costs allowance for former Prime Ministers amounted to £1.7 million in the past five years. May we have a statement on the actual work that these former Prime Ministers have done and whether they have had to provide receipts?

Sir George Young: The hon. Lady is tempting me out of my comfort zone. I am not sure that the Government have responsibility for these particular payments. Those concerned are, by definition, no longer Members of Parliament—at least many of them are no longer Members.

[Sir George Young]

I will make some inquiries with the relevant authorities to see whether any further light can be shed on her question.

Mr James Arbuthnot (North East Hampshire) (Con): May I thank my right hon. Friend for providing a day to debate armed forces personnel shortly before Remembrance day? However, does he agree that the arrangements between the House and the Backbench Business Committee in relation to defence matters are not working? Although I would sometimes like to blame that Committee, on this occasion I really cannot do so. Will he enter into negotiations with the Chair of that Committee, who is doing as good a job as she possibly can in the circumstances?

Sir George Young: I certainly endorse the last remark. Now is not the time to go into the theology of the Wright Committee and the division of responsibilities between the Government and the Backbench Business Committee. My right hon. Friend will know that the four days for defence debates that were traditionally provided by the Government were transferred to the Backbench Business Committee. I understand why it has not been able to find time for them and, in recognition of that pressure, as he has said, we have now found a day for a debate on armed forces personnel. The Government will continue to do what they can to make sure that we do have adequate time for defence debates, and in the review of the Backbench Business Committee, I will see, in conjunction with the hon. Member for North East Derbyshire (Natascha Engel), whether we can move towards a different regime that meets the aspirations of my right hon. Friend and the responsibilities of the Backbench Business Committee.

Mr John Spellar (Warley) (Lab): Yesterday, in the Chamber, the Prime Minister roundly and rightly denounced metal theft. But he then went on to say:

> "We are working with the Association of Chief Police Officers to put in place an action plan to deal with this, which will involve looking again at the whole regulation of scrap metal dealers."—[*Official Report*, 2 November 2011; Vol. 534, c. 918.]

That is totally unsatisfactory. Everyone knows the answer—it is to license the dealers and to prevent them from dealing in cash. So can the Leader of the House arrange for a debate when that can be explored or, better still, could he use the two spare days he has created in the week after next to put it through and stop what the Prime Minister rightly called "this appalling crime"?

Sir George Young: I am grateful to the right hon. Gentleman. It is an appalling crime and the current legislation is basically unenforceable. Dealers are meant to register with their local authority but there are no penalties if they do not do so. The Government are consulting on a range of measures, including the ones he has mentioned—the banning of cash payments, with everything being done by cheque, and having a much tougher regime. We are consulting to see whether we can have a better regime that reduces the damage done by all these thefts.

Bob Russell (Colchester) (LD): Mr Speaker, I am sure that you and the whole House will rejoice at the announcement that today a contract will be signed to build an airport on the island of St Helena, and I would like to extend the House's thanks to all involved. This will bring to an end five centuries of isolation for British people who are proud to live on this overseas territory. With that in mind, will the Leader of the House find time for a debate so that we can discuss how the overseas territories are an important part of this country?

Sir George Young: I am grateful to my hon. Friend for that. It is indeed the case that, after protracted negotiations, the Department for International Development has now agreed to fund the airport in St Helena. I would welcome such a debate, and he might like to put in for a debate on the Adjournment so that we can discuss this issue at more length.

Mr Ben Bradshaw (Exeter) (Lab): Exeter city council and the energy company E.ON have spent considerable time and money preparing to install 500 solar panels on council homes in my constituency, thus reducing tenants' bills by £120 on average and helping to reduce carbon emissions. That excellent scheme is now threatened with cancellation because of the Government's decision to more than halve the feed-in tariff. May we have an urgent debate in Government time about this incredible incompetence?

Sir George Young: As the right hon. Gentleman will know, the Minister of State, Department of Energy and Climate Change, my hon. Friend the Member for Bexhill and Battle (Gregory Barker) made a statement on this matter on Monday, explaining why the scheme had to be changed. If we did not do this, all the money would have been mopped up by those few people who are currently eligible; the lower the tariff, the more people that can benefit. We had that exchange on Monday. We are now consulting on how we take the scheme forward and I will take the right hon. Gentleman's comments on board.

Andrew Stephenson (Pendle) (Con): On Monday, we heard that the Government will provide £9 million to reopen the Todmorden curve, cutting journey times between Burnley and Manchester. We also heard about an additional £7.5 million in business support for local manufacturing small and medium-sized enterprises being made available through Regenerate Pennine Lancashire. Both those projects were funded by the Government's regional growth fund which, it is estimated, will create or safeguard more than 55,000 jobs in the north-west of England. May we have a debate on the huge beneficial impact of the fund on the north-west of England?

Sir George Young: I am sorry that some hon. Members have taken a rather dismissive view of the regional growth fund, and I am grateful to my hon. Friend for identifying a number of projects that will go ahead. We announced £950 million of funding in round 2, supporting 119 businesses and creating or protecting 201,000 jobs. There may be an opportunity on Wednesday for him to come in on that debate, amplify the benefit to many constituencies from the regional growth fund and perhaps encourage those who have been less than generous about it to change their mind.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): This week, Merseyside police announced that it is having to cut 250 officers over the course of the next two years because of the Government's slashing of its budget. Deputy Chief Constable Bernard Lawson has admitted that there will be an impact on the service that the force is able to provide for my constituents and all the people of Merseyside. May we have an urgent debate on the impact that the Government's spending cuts are having on front-line policing?

Sir George Young: The hon. Lady will remember that, before the last election, the then Home Secretary made it clear that if he and his party were re-elected, they would not be able to guarantee that there would be no reductions in the number of front-line officers. It is the view of the Government that it is possible for police authorities to cope with the budgets they have been allocated and protect the effectiveness and visibility of front-line policing.

Pauline Latham (Mid Derbyshire) (Con): In response to a question from a Labour Member, the Leader of the House mentioned the Commonwealth discussions that the Prime Minister has had about the royal succession. May I urge the Leader of the House to tell us when we might expect a debate on the royal succession Bill and what that Bill might include?

Sir George Young: When we have a Bill there will, of course, be a debate. I am grateful to my hon. Friend for raising the issue. In his statement, the Prime Minister said that we are intending to legislate

"to end the system of male preference primogeniture and the provision that anyone who marries a Roman Catholic would be ineligible to succeed to the Crown."—[*Official Report*, 31 October 2011; Vol. 534, c. 31WS.]

Any legislation that we bring before the House has to work for 16 countries, and to that end a group of senior officials from across those countries is working urgently to agree the necessary legislation. When that has been done, it will be brought before the House.

Keith Vaz (Leicester East) (Lab): Further to that answer, may I say that the Prime Minister needs to be praised for making his announcement in Perth, which was of course supported by the Leader of the Opposition and the Deputy Prime Minister? Further to what the hon. Member for Mid Derbyshire (Pauline Latham) has said, I have a Bill before the House, which is to have its Second Reading on 25 November, that deals with this very point. I am happy to give that Bill to the Leader of the House so that, instead of drafting new legislation, he can use it and introduce the measures as soon as possible, because when it happens here first, it will then happen in the other 16 countries.

Sir George Young: That is an enormously generous offer from the right hon. Gentleman, but he will have heard what I said a moment ago about a working group that is preparing the necessary legislation. He may well have anticipated the output of this hard-working team of people and perfectly drafted his piece of legislation to anticipate what they will recommend, but I am afraid that the Government do not have that total confidence and it might be best to await the output of the working group before we look again at his Bill.

Paul Uppal (Wolverhampton South West) (Con): Given the excellent news that Jaguar Land Rover is opening a new engine plant—a £355 million investment, which will create up to 750 new skilled jobs—just outside my constituency, will the Leader of the House find time for a debate on the skills gap, as this can provide a platform and a legacy for learners in Wolverhampton?

Sir George Young: I am grateful to my hon. Friend for balancing the news. There is good news in parts of the country and he has just reminded the House of that particular piece of good news. I understand that Jaguar Land Rover is working with the National Apprenticeship Service, the Skills Funding Agency and the black country local enterprise partnership on the whole issue of skills for the new plant. I hope it will be possible to train those who are currently unemployed to give them the skills that they need to work in this new investment—this new engine plant. We are supporting this particular project through the grant for business investment scheme, which is providing up to £10 million.

Steve McCabe (Birmingham, Selly Oak) (Lab): Given the fuss last week about the FairFuel petition, does the Leader of the House accept that No. 10 and the Government may have misled the public into thinking that e-petitions that achieved 100,000 signatures would automatically be debated here? Does he agree that they may also have misled Back Benchers into thinking that the Backbench Business Committee would be there to represent our interests? I know that he would not mislead anyone, but is not the solution to reserve some additional days exclusively for e-petition debates so that the Backbench Business Committee can do the job it was set up to do?

Sir George Young: I am grateful to the hon. Gentleman. If he looks at the coalition agreement, he will see that we made it absolutely clear that once an e-petition got 100,000 signatures it would be "eligible for debate"—I think that is the wording—so there is no question of my or anyone else's misleading anyone about that. His suggestion that there should be extra time specifically for e-petitions is a helpful one. He will know that the Procedure Committee is reviewing the parliamentary calendar and that we are committed to reviewing the work of the Backbench Business Committee. It may be that those two reviews work together in tandem and that we are able to find extra space within the calendar to debate e-petitions. I know that this is an issue on which the Chair of the Backbench Business Committee has strong views.

Tessa Munt (Wells) (LD): The Government's cancer strategy for England recognises that access to radiotherapy is critical to improving outcomes. Radiotherapy takes only 5% of the estimated total NHS spend on cancer care but 50% of patients can benefit from it. May I ask the Leader of the House whether he has seen and supports Cancer Research UK's "A voice for radiotherapy" petition, which has been signed by more than 36,000 people and will be handed in to Downing street this afternoon? As 2011 is the year of radiotherapy, may we have an urgent debate this year on better and fairer access to radiotherapy in England?

Sir George Young: I am grateful to my hon. Friend for raising the profile of Cancer Research UK's petition. I agree that it would be helpful to have a debate and to see what more we can do to reduce any delays in the use

[Sir George Young]

of radiotherapy or, indeed, chemotherapy once people have had their operation. There will be an opportunity at Health questions to raise this issue quite soon but, in the meantime, she might like to put in for a Westminster Hall debate so that we can do justice to the important issue she has just touched on.

Andrew Miller (Ellesmere Port and Neston) (Lab): The last time the Minister for Universities and Science, whom I hold in very high regard, appeared before the Select Committee on Science and Technology, he made a statement that affected the science budget stemming from the break-up of the regional development agencies and the redistribution of moneys. That has subsequently been the subject of a series of exchanges about what he actually said versus what he meant to say. Coincidentally, over the summer a very good paper has been published by the Campaign for Science and Engineering in the UK showing that the Government's science budget is affected by smoke and mirrors. May we have an urgent debate in Government time about the truth around the science budget?

Sir George Young: On 8 December, which is some time away, there will be an opportunity to raise the issue. In the meantime, I should like to raise with my right hon. Friend the Minister for Universities and Science the issue that the hon. Gentleman has just touched on to see whether there is any gap between what my right hon. Friend said and what he meant to say—I am sure there was not—and to deal with the allegation that there are smoke and mirrors in the science budget.

Andrew Miller: I was not blaming him.

Sir George Young: It sounded as though the hon. Gentleman was blaming him. None the less, I shall raise the matter with my right hon. Friend and ask him to write to the hon. Gentleman.

Guto Bebb (Aberconwy) (Con): May we have a debate on the impact of the VAT threshold on micro-businesses and their growth potential? In my constituency, many small businesses involved in the tourism sector are in the process of closing for the winter period. They are closing not because they are scared of work or because there is no opportunity for them to create a market and carry on working, but because the current VAT threshold creates a cliff edge that penalises them for being successful.

Sir George Young: I am grateful to my hon. Friend and of course we will take on board what he says. The current VAT threshold, at £73,000, is one of the highest in the EU. It is the case that some traders would like it to be raised so that they are outwith it, but others would like it to be reduced to avoid unfair competition from those who are exempt. I believe that we have got the balance about right, but in the light of his comments I am sure that Treasury Ministers will want to keep this under review.

Jessica Morden (Newport East) (Lab): We have just passed the fifth anniversary of the collapse of Farepak, but my constituent Deb Harvey, who was a Farepak agent, and her customers have not received any compensation and are still waiting for justice to be done in relation to the people who caused the collapse of the company. Does the Leader of the House feel that we should find time to revisit this issue, not least to ensure that it never happens again?

Sir George Young: I am grateful to the hon. Lady for raising this issue. I think we have had debates on Farepak in the past—possibly in the last Parliament. I will raise this with appropriate Ministers to see where we have got to in the process of getting funds for those who lost money. I would welcome a debate on this matter and she might like to apply to you, Mr Speaker, for a debate on the Adjournment.

Christopher Pincher (Tamworth) (Con): May we have a debate on student visas? I am conscious that the Government have already barred 470 colleges from accepting new students as part of their immigration crackdown, but a debate would enable us to explore the extent of the abuse that has been going on and to understand what the Government are doing to stop it.

Sir George Young: I understand that there is an e-petition on the slightly broader issue of immigration and if that got through the 100,000 threshold, there would indeed be a debate in which it would be relevant for my hon. Friend to raise this issue. *[Interruption.]* There might be a debate—indeed. In addition to the 470 colleges that my hon. Friend has touched on, 302 have had their licence revoked and a further 172 have been allowed to continue to teach current students but may not sponsor any new ones from the EU. I hope that he is assured that Ministers at the Home Office have this matter under serious consideration.

Grahame M. Morris (Easington) (Lab): The Leader of the House has previously told us that he is not keen on having any debate that involves the expenditure of additional resources. However, I wonder whether we might prevail upon him to persuade the Health Secretary to have a debate on NHS procurement, not least because we desperately need a credible plan for jobs and growth, and NHS procurement could provide a way of securing such a commitment.

Sir George Young: I am grateful to the hon. Gentleman. I think I am right in saying that the Select Committee on Health, or possibly the Public Accounts Committee, has recently produced a report on NHS procurement—I think it was the PAC—in which case the Government will want to respond to that in due course. If there are lessons to be learned in order to procure more efficiently, get better value for money and, indeed, create jobs by so doing, of course the Government would like to pursue that.

Kris Hopkins (Keighley) (Con): Ilkley business forum in my constituency has established a new scheme to protect local independent traders and to save the town centre. May we have a statement making clear the Government's support for small traders and outlining what they are doing to protect such traders from national chains and internet shopping?

Sir George Young: I am interested to hear what my hon. Friend's local authority has done. I believe that our planning proposals will give more weight to local authorities to take the sort of initiative that he has just

touched on to protect independent stores and local traders. As for protecting them from unfair, predatory trading from some of the giant chains, the draft Groceries Code Adjudicator Bill may give some protection. Of course, the Government have in the pipeline the broader agenda of deregulation, which I hope will help all the small shopkeepers in his constituency.

Graham Jones (Hyndburn) (Lab): We heard today that house building fell to an all-time record low of 121,000 and that the Select Committee on Communities and Local Government has produced a report that condemns the Government's regeneration policy. Areas such as Woodnook in my constituency are really suffering. Last week, Shelter revealed that in 55% of local authorities people are being priced out. When will the Housing Minister come to the Floor of the House and debate the debacle that is the Government's housing policy? Let us get to the bottom of this because it is a disgrace.

Sir George Young: There was an exchange on housing on Monday when we had Communities and Local Government questions. We have taken a number of initiatives to promote housing. There is the new homes bonus to encourage local authorities, there is our streamlining of the planning system to remove unnecessary delays and, crucially, as we heard in the previous statement, there are low interest rates, which are crucial to enable first-time buyers to get on to the housing ladder. I hope that a combination of those measures will lead to a revival in house building, and it is worth reminding the hon. Gentleman that we had the lowest output in peacetime since the 1920s under the previous Government.

Mr Bernard Jenkin (Harwich and North Essex) (Con): I thank my right hon. Friend for his sympathetic tone about the lack of defence debates that we have had so far in this Parliament. We are still waiting for debates on procurement and defence policy, for example, and we are also still waiting for the annual debate on the civil service. Is not the right answer that we should move swiftly towards having a fully fledged business Committee so that we can end the division of responsibility that has led to these problems?

Sir George Young: The proposal in the coalition agreement envisages, certainly in the short term, two Committees: a BackBench Business Committee dealing with Back-Bench time, and a House business Committee dealing with Government time. In the longer term, we may move to a single, integrated Committee, but the initial proposal was that there should be two, side by side. Whether that would resolve the dilemma on which my hon. Friend touched, I am not sure because there would still be tension between, on the one hand, providing more time for Back-Bench business and, on the other, providing adequate time to scrutinise Government legislation. *[Interruption.]* We are sitting longer in the first two years of this Parliament than in the first two years of the previous Parliament. In the remaining days of this Session, I will see whether there is headroom to provide for more debates on defence, which is what prompted my hon. Friend's initial question.

Pat Glass (North West Durham) (Lab): This week, the Government announced a review of feed-in tariffs, which will put at risk jobs across the country, not least at Romag in my constituency which, among other things, is responsible for the security screen in the Commons. At the same time, the Government have provided a regional growth fund so that companies can import solar panels from China for assembly in the UK, so that the onward sale is British. May we have an urgent statement on that piece of economic insanity?

Sir George Young: We have had a statement on this enlightened policy, if I may phrase it slightly differently. I am sure that the hon. Lady was in the House when the Minister of State, Department of Energy and Climate Change, my hon. Friend the Member for Bexhill and Battle (Gregory Barker) replied to that question. The return on solar panel investment will be roughly what it was when the Labour Government began the scheme. We have recalibrated it to take account of the falling costs of solar panel installation. We are consulting on what replaces the regime after 12 December, and her thoughts will be welcome.

Bob Stewart (Beckenham) (Con): May I reinforce what my right hon. Friend the Member for North East Hampshire (Mr Arbuthnot), the Chair of the Select Committee on Defence, and my hon. Friend the Member for Harwich and North Essex (Mr Jenkin) have said? I am quite shocked, as a new Member, that while we are fighting what looks increasingly like a guerrilla war in Afghanistan and are taking casualties, the House has not spent time generally looking at what we are doing in defence.

Sir George Young: I detect the serious mobilisation of the armed forces on the Benches behind me, pressing for a further defence debate. As my hon. Friend knows, we have provided one day and, as I said in response to my hon. Friend the Member for Harwich and North Essex (Mr Jenkin), between now and the end of the Session, now that most of the major Bills have gone through the House, there may be headroom to provide some of the debates that were provided in Government time in the previous Parliament but which, for whatever reason, have not been forthcoming so far in this one.

Fiona Mactaggart (Slough) (Lab): The right hon. Gentleman will be aware that I apologised to the Economic Secretary to the Treasury for my patronising tone in my question to her on Monday, but will he ask her to come back and apologise to the House for misleading it when she claimed that unemployment under the previous Government reached 30%?

Mr Speaker: Let us hear the response from the Leader of the House, but I must say, while I note what the hon. Lady has said, that we need to be very careful about accusing Members of misleading the House. She may wish to insert the word, "inadvertently".

Fiona Mactaggart: I am sure that it was inadvertent. Perhaps the Economic Secretary would come to the House and explain how she arrived at that figure.

Sir George Young: In fairness to the hon. Lady, I welcomed what she said at the outset of her remarks about apologising for any offence that she may have caused my hon. Friend the Economic Secretary. I will draw my hon. Friend's attention to this exchange, and

[Sir George Young]

ask her to write to the hon. Lady clarifying the use of the figures and, I am sure, justifying any figure that she used in the Chamber.

Richard Graham (Gloucester) (Con): Given the recent publication of the Justice and Security Green Paper, which includes proposals on the reform of the Intelligence and Security Committee, and covers the protection of sensitive material, which is especially relevant to my constituents in Gloucester who work at GCHQ, will the Leader of the House consider providing time in the near future for the annual debate on the ISC?

Sir George Young: I am grateful to my hon. Friend, and I recognise his constituency interest. We have both seen the ISC annual report, as well as the consultation exercise announced by my right hon. and learned Friend the Lord Chancellor a few days ago and the recently published Justice and Security Green Paper. I shall reply in similar terms to the reply that I have given on an earlier occasion. I hope that it will be possible to find time to debate this important matter during the remainder of the Session, but whether in Government or in Backbench Business Committee time is something that needs to be resolved.

Ian Lavery (Wansbeck) (Lab): In Ashington in my constituency, 20.7% of 16 to 18-year-olds are classified as NEETs—not in education, employment or training. Will the Leader of the House make time to discuss the bleak future faced by hundreds of thousands of young people as a result of the Government's policies?

Sir George Young: I announced in the business statement that there would be a debate in Opposition time on youth unemployment on Wednesday, so the hon. Gentleman will have an opportunity to raise those issues. There will also be an opportunity for Ministers to explain the initiatives that they have taken, including the Work programme, investment in apprenticeships, and universal credit, which were all introduced to try to help the people in his constituency who hope to get into work.

Mr Mark Williams (Ceredigion) (LD): May we have a debate on the appalling human rights situation in Iran, made worse by the spectre of 3,250 Iranian citizens who are in Camp Ashraf and who will be forcibly removed in 57 days, probably back to Iran, potentially with catastrophic consequences?

Sir George Young: I understand the concern expressed by my hon. Friend. I will contact the Foreign Secretary and ask him to write to him outlining what representations the British ambassador and the Foreign Office have made on this issue.

Nic Dakin (Scunthorpe) (Lab): A report by the Fawcett Society shows that women are affected worst by Government cuts. Notwithstanding the earlier comments by the Leader of the House, may we have a clear statement from the Government about what they are going to do to ease that pressure on women's lives?

Sir George Young: Women have an interest in the Government's economic policies, which lay the foundations for sustainable growth, enabling the country to remain competitive. They have an interest in the success of the action that we have taken to get the deficit down and rebuild confidence in the country. Women have much to gain from the success of that policy.

Mr Peter Bone (Wellingborough) (Con): At the start of Parliament week, and with a leading Parliamentarian at the Dispatch Box, one thing that the Government could do very quickly is move towards the establishment of a business of the House Committee, so that Parliament timetables everything? The commitment, I accept, is not to go beyond 5 May 2013, but could we have it earlier, and may we have a statement from the Chief Whip welcoming that measure?

Sir George Young: I know that my hon. Friend has a good working relationship with my right hon. Friend the Patronage Secretary, particularly in the light of the private Member's Bill that my hon. Friend introduced to abolish the Whips Office.

The Wright Committee recommended the measure but, at the end of the previous Parliament, the outgoing Government failed to accept that recommendation. We remain committed to doing it in the third year of this Parliament. Whether it makes sense to bring it forward before the review of the Backbench Business Committee is complete, I am not certain. However, we are committed to further reform of the way in which the House manages itself, and we are committed to the establishment of a House Committee to work alongside the Backbench Business Committee so that there is a slightly broader basis on which Government business is decided.

Barry Gardiner (Brent North) (Lab): Will the Leader of the House take a careful look at the timing of consultations? Many Members have long believed that consultations are not necessarily the most effective way of changing Government policy, but the consultation on the feed-in tariff is the first occasion on which that which is being consulted on has been announced to come into effect 12 days before the end of the consultation. Considering that point would help the Government, if only to avoid judicial review.

Sir George Young: That seems to be a repetition of a question that the hon. Gentleman put on Monday to the Minister of State, Department of Energy and Climate Change, my hon. Friend the Member for Bexhill and Battle. We had to have a cut-off point to stop the erosion of funds under the current scheme. We are now consulting on what should replace that scheme, which is a sensible way forward.

Mr David Nuttall (Bury North) (Con): May we please have a statement on the Commonwealth Heads of Government meeting? Apart from the agreement in principle that was reached to amend the rules relating to royal succession, many other matters were discussed. The Prime Minister routinely makes oral statements to the House after European Council meetings, and it would help reflect the great importance of the Commonwealth if it became routine for oral statements to be made following Commonwealth Heads of Government meetings in the future.

Sir George Young: I am grateful to my hon. Friend for his recognition that the present Prime Minister regularly makes statements to the House. He has made 23 so far this Session—a higher average strike rate than his predecessors. With statements after Commonwealth Heads of Government meetings, we have followed the procedure adopted after earlier such meetings. There was a written statement to the House in 2005, in 2007 and in 2009, and we have simply carried that procedure forward.

Diana Johnson (Kingston upon Hull North) (Lab): I have been contacted by Mr Les Bennett, a small businessman in Hull. Seven weeks ago he took to market a new software application that would assist the solar panels industry. His business is now in ruins because of Monday's announcement about the feed-in tariff. May we please have a debate on the Government's commitment to small businesses and the renewables industry?

Sir George Young: Obviously, I am sorry to hear about the hon. Lady's constituent. I am not quite sure why a software application should not continue to be relevant even though the tariffs have changed. I hope Mr Bennett can recalibrate whatever product he has, in order to cope with the new regime.

Joseph Johnson (Orpington) (Con): Heathrow and Gatwick are operating at 99% capacity, leaving little scope for the UK economy to take advantage of the growth opportunities in the BRIC economies—those of Brazil, Russia, India and China. After the debate on the airstrip on the island of St Helena, in which the Leader of the House expressed such interest, might we perhaps find time for a further debate on UK aviation strategy and proposals for a new hub airport for London, so that such important opportunities do not go begging for a moment longer than necessary?

Sir George Young: There will be an opportunity at the next Transport questions for my hon. Friend to raise that issue. He raises a serious point about the future of aviation policy. I would welcome such a debate in Westminster Hall, either according to the guidance of Mr Speaker or in Backbench Business Committee time, so that the Government can set out their current aviation policy and those who are in favour of alternative provision can make their case.

Jonathan Ashworth (Leicester South) (Lab): Could the Leader of the House find time for a debate on the future of local and regional newspapers, many of which have been under some strain recently? Is the right hon. Gentleman as delighted as I am that following my representations, the *Leicester Mercury* is now available in the Library?

Sir George Young: I congratulate the hon. Gentleman—but I hope that he is not going to start a bidding war in which all hon. Members seek to catch Mr Deputy Speaker's eye and raise the fortunes of their local newspaper. We have just had Department for Culture, Media and Sport questions. I am not sure whether the hon. Gentleman was in his place, but I am sure that the *Leicester Mercury* will adequately record this exchange.

Mark Pawsey (Rugby) (Con): There is concern in my constituency over the intention to close Birch ward, at the hospital of St Cross in Rugby, later this month. That action arises because of the need to reduce the deficit within the hospital trust, which includes a large private finance initiative hospital based at Coventry. May we have a debate to consider the consequences of PFI funding, which was so favoured by Labour in the delivery of health care?

Sir George Young: I am sorry to hear of the problems that confront my hon. Friend's local hospital as a result of the private finance initiative scheme. We have done a review of PFI schemes that has produced annual savings of about 5% on NHS PFI schemes. I will draw the case of my hon. Friend's hospital to the attention of the Treasury to see whether that scheme is one of those under review. Twenty-two NHS trusts have identified their PFI payments as an issue in terms of being financially sustainable, and plans have now been agreed for most of those at local health economy level, to ensure that that does not undermine their sustainability.

Bob Blackman (Harrow East) (Con): Will my right hon. Friend join me in wishing Hindus everywhere a belated happy Diwali last week? As well as welcoming that important festival, will my right hon. Friend join me in welcoming the decision of the Department for Education to grant initial approval to St Chaitanya's school, a new Hindu free school for the borough of Harrow that will provide 1,470 young people with a faith-based education as part of this Government's excellent free schools programme?

Sir George Young: I join my hon. Friend in welcoming that initiative. I am glad the Government are taking it forward. It is the second scheme in this country sponsored by I-Foundation. It will be a free school, but like all schools that have a broad, balanced curriculum, it will build its ethos on the faith values of integrity, respect, courage, empathy, self-restraint and humility. I wish the school and its promoters every good fortune in the future.

Henry Smith (Crawley) (Con): Recently a constituent came to me concerned that in the space of five days she had received seven separate letters, almost identical, from the Child Support Agency, each envelope containing an identical large booklet. Can we find time for a debate on the efficiency of the Child Support Agency?

Sir George Young: I think we all know from our advice bureaux that the current child maintenance system is not working properly. We have in mind a major child-centred reform promoting, where possible, agreement between the parents on the financial regime. I very much hope that once this new maintenance system is up and running, my hon. Friend will have fewer problems such as the one he has just described.

Glyn Davies (Montgomeryshire) (Con): One of our great concerns is the low number of organ donations in the United Kingdom compared with other European countries, which has led to discussion about possibly introducing presumed consent, which I personally oppose. May we programme a debate in the Chamber to consider how we might increase that number, taking as an example what has happened in other European countries?

Sir George Young: I am grateful to my hon. Friend, and I have here my own donor card—which I hope will not be activated in the very near future. We have taken a number of initiatives. For example, when people renew their driving licence they are encouraged to take out a donor card. The issue of presumed consent raises a whole lot of ethical questions, and I am sure they should be debated, but at present the Government's energy is devoted to encouraging the take-up of donor cards.

ROYAL ASSENT

Mr Deputy Speaker (Mr Nigel Evans): I have to notify the House, in accordance with the Royal Assent Act 1967, that the Queen has signified her Royal Assent to the following Acts:

Coinage (Measurement) Act 2011

Armed Forces Act 2011

Pensions Act 2011

BILL PRESENTED

HOUSEHOLD SAFETY (CARBON MONOXIDE DETECTORS) BILL

Presentation and First Reading (Standing Order No. 57)

Mr Barry Sheerman, supported by Jason McCartney, Meg Munn, Julian Sturdy, Steve Baker, Andrew Percy, Laura Sandys, Dr Hywel Francis, Karl McCartney, Andrew Stephenson, Chris White and Heidi Alexander, presented a Bill to introduce a requirement that a functioning carbon monoxide detector must be installed in residential properties; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 25 November, and to be printed (Bill 245).

Commission on Devolution in Wales

1.7 pm

The Secretary of State for Wales (Mrs Cheryl Gillan): I beg to move,

That this House has considered the matter of the Commission on Devolution in Wales.

Before I commence the debate, may I—with the permission of the Speaker, which I sought earlier—say to the right hon. Member for Neath (Mr Hain), who speaks for the Opposition on Wales, that I was shocked to hear of the incident at the Aberpergwm mine at 3 am, but I was also exceedingly glad to know that all three men have been brought out of that mine successfully? It reminds all of us, particularly after the sad events at the Gleision mine, that men are putting their lives on the line each and every day to recover coal. Because both those incidents involved the right hon. Gentleman's constituency, I thought we should acknowledge that.

Mr Peter Hain (Neath) (Lab): I am very grateful, and thank the right hon. Lady for that, as will the families and the individuals involved. I thank her too for her support for the miners appeal fund and for her support over the tragedy at Gleision. Today's incident, although obviously serious, particularly for those concerned—they have suffered injuries, but fortunately they are okay—is in a very different category from Gleision, which was a major disaster and tragedy. Aberpergwm pit is run extremely efficiently by a company with high levels of investment, recruiting miners and apprentices, and in all respects an admirable company. The incident is rather an exception, but it is the third one in my constituency in the past couple of months.

Mrs Gillan: The right hon. Gentleman knows that my door is always open. We have already spoken to other Departments from my office and we will continue to deal with these matters on a cross-party and non-political basis, as is the proper and right way to deal with them.

I am pleased that we have been able to give the House an opportunity to debate in Government time the work of the Silk Commission, the commission that I announced on 11 October would examine devolution for Wales.

The coalition agreement contained three specific items on Wales. First, we promised to take forward the housing legislative competence order that had been held up by the previous Government, and I am pleased to say that we delivered on that. Secondly, we promised a referendum on granting primary legislative powers in devolved areas to the Welsh Assembly Government, and we delivered on that, although on taking office I found that preparations were—how shall I put it?—behind the curve.

Mr Wayne David (Caerphilly) (Lab): Before the right hon. Lady moves on from the subject of the coalition agreement, may I point out that her party, in opposition, blocked the housing LCO during the wash-up period before the general election?

Mrs Gillan: The hon. Gentleman, who was serving in the Wales Office at the time, arranged the timetabling so that the LCO would fall in that period; he could have delivered it much earlier.

Thirdly, we promised that following the referendum we would establish a process for Wales, in the vein of the Calman commission, and I am pleased to inform the House that we have delivered on that.

Huw Irranca-Davies (Ogmore) (Lab): Before the right hon. Lady takes credit for every achievement, may I ask her to acknowledge that although the Government put the legislative framework in place, the referendum was delivered by the people of Wales, who voted for it? I am sure she will want to acknowledge that.

Mrs Gillan: The hon. Gentleman is dancing on the head of a pin. This Government gave the people of Wales the opportunity to vote in the referendum, as indeed they did, and I was pleased by the outcome. It was only as a result of a great deal of work and application by the Wales Office and others in government that we were able to deliver that on time and to the schedule anticipated.

I am pleased that today, before the first meeting of the Silk commission, we have given all Members an opportunity to register their views by allowing a full-day debate. It is fair to say that Westminster politicians rarely get the time to stand back and thoughtfully consider the future shape of our country's constitution. We react to events, perhaps to political and tribal allegiances and timetables and, as John Major said in his Ditchley Foundation annual lecture, the Union cannot be maintained by constant antagonism—for example, between Wales and London.

Like our former Prime Minister, I opposed devolution because, as a Unionist, I believed it could be the slippery slope to separation. I am now less fearful of separation and more hopeful—

Huw Irranca-Davies: Not all of you are. What about the others?

Mrs Gillan: The hon. Gentleman suggests that not all Members are less fearful. That is fair and, in the spirit of the debate, I want to hear from Members who do not share the views that he and I hold. My fears about separatism, which have diminished, might be reflected in some Members' contributions. I am more hopeful that there will be a mature debate and reasoned solutions, delivering a degree of self-determination without threatening the strength of the Union. With the advent of the commission, we are getting time to contribute and reflect.

Geraint Davies (Swansea West) (Lab/Co-op): Is not the real Conservative agenda to offer tax-raising powers in order to freeze the block grant and end up with a semi-detached Wales, with less representation, thereby securing a permanent Tory-run Westminster, fracturing or destabilising the Union?

Mrs Gillan: I do not know what tortuous mental processes the hon. Gentleman goes through, but I assure him that I have no ambitions in that direction whatsoever. He has been spending too much time with the right hon. Member for Neath, who sees conspiracy theories in every quarter. This is a genuine open consultation, and the hon. Gentleman will hear as I develop my speech that the Silk commission is giving us an opportunity to reflect and try to shape the architecture of devolution in Wales.

The commission provides a coherent opportunity to review the working of devolution in Wales and the financial accountability of the devolved institution. Assembly Members are accountable to the people of Wales at the ballot box. They are judged on their record, on the decisions they make and on the outcomes of their policy decisions. We all know that government is a difficult business that involves administering complex issues and looking after the totality of the system for the people of Wales. We therefore need the commission to examine how the devolution system is working, and whether changes might improve its performance.

Mr David Hanson (Delyn) (Lab): Will the Secretary of State ensure that the commission looks carefully at the impact of the border? My constituency, and that of many others, is close to the English border. People who live in my constituency work in England, and people who live in England work in my constituency. The differing rates of VAT, corporation tax and quarrying tax, and of expenditure, are important on both sides of the border. I do not want the commission to look specifically at Welsh issues without taking representations from the English side of the border.

Mrs Gillan: I could not agree more with the right hon. Gentleman. I refer him to the commission's specifications, in which we state that it should

"consider and make recommendations on how best to resolve the legal and practical implementation issues from devolving a package of fiscal powers".

I think that says it all: we are keeping an open mind. The right hon. Gentleman knows that since becoming shadow Secretary of State, I have been concerned about the implications of the permeability of the border. The commission offers us the chance to look not only at recommendations that might be made but at the practical difficulties.

Mr Hanson: Does the Secretary of State agree that one of the factors that the commission should take into account is that Welsh Members of Parliament such as me, whose constituents use hospitals in England and work in English businesses, should have the right to vote on those matters, too?

Mrs Gillan: We proposed to hold this debate before the first meeting of the commission to enable Paul Silk and the other commissioners to hear Members' views. The right hon. Gentleman's point is well made, and I know that when the commissioners read *Hansard* they will take it on board. I do not want to tie the commissioners' hands; they must decide how they will work.

Alun Cairns (Vale of Glamorgan) (Con): The right hon. Member for Delyn (Mr Hanson) makes a principled point, the logic of which should have been extended to the previous referendums on devolution. Why did that not happen?

Mrs Gillan: If I recall correctly, the Richard commission reported before the Government of Wales Act 2006 was enacted. Reaction to the commission—a pick-and-mix

[Mrs Gillan]

effect—was interesting. The 2006 Act contained some items that had not been telegraphed quite so clearly, and the House certainly did not have the opportunity to debate it as fully as I am trying to ensure that we debate things today and in future. My hon. Friend is quite right about that.

Mr Hain: I do not understand whether the Secretary of State is saying that we did not have time to debate the Richard commission, which is a fair point, or that we did not have time to debate the 2006 Bill, which is not a fair point as we had plenty of time.

Mrs Gillan: I am glad that the right hon. Gentleman agrees that we did not have enough time to debate the Richard commission, which is indeed a fact. I was thinking of the changes to the Assembly's electoral system, which were not telegraphed extensively and we did not have a chance to discuss—

Mr Hain: We did.

Mrs Gillan: We may have had plenty of time in Committee, but not beforehand, and there was no wide or extensive consultation. I take the right hon. Gentleman's point, however.

Hywel Williams (Arfon) (PC): May I just recommend to the House in general, and perhaps to the Silk commission, that the commission look at the reports of the Welsh Affairs Committee on cross-border issues—which were what started this little exchange? Although the reports recognised that there were problems, they also recognised that there was a great deal of good will across the border, and that the systems were working very well indeed.

Mrs Gillan: That is a very constructive intervention, and in my experience the system does work exceedingly well in some instances, but that will be a matter for the commission to consider, and it will want to look at examples of what is working well and what needs adjustment.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC) *rose—*

Mrs Gillan: I will give way to the right hon. Gentleman, then I must make some progress.

Mr Llwyd: Further to the point that my hon. Friend the Member for Arfon (Hywel Williams) made, the right hon. Lady will be aware that in the most recent referendum the majorities along the border in favour of further devolution were very high, apart from in Monmouth.

Mrs Gillan: The right hon. Gentleman will be very pleased, therefore, that the Assembly now has primary legislative powers, and I am sure that he will be spending a lot of his time constructively trying to encourage the Welsh Government to come forward with some legislation, because it is now many months since the election, and correct me if I am wrong—I see the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd) and the hon. Members for Carmarthen East and Dinefwr (Jonathan Edwards) and for Arfon (Hywel Williams) nodding their heads—but we have not yet seen any draft legislation from the Welsh Government, even though they were well prepared in advance of the referendum.

David T. C. Davies (Monmouth) (Con): My right hon. Friend will be aware, of course, that the loyal county of Monmouthshire voted no in the recent referendum, as it always has in previous referendums.

Mrs Gillan: That shows the advantage of this approach to constitutional change: all hon. Members, no matter where they come from, how they speak and from what direction they approach constitutional matters, will have an opportunity to express their views. I am grateful to my hon. Friend, and I am sure that he will speak later in the debate and let the House know what he feels the Silk commission should consider.

Before I took that series of interventions, I was saying that neither the Assembly nor the Welsh Government are accountable to the people of Wales for the money that they spend on the policies that they implement. The Welsh Government simply receive the Welsh block grant voted by Parliament, and spend it.

That cannot be right. With power comes responsibility, and it is surely better for the devolved institution to be accountable to the people of Wales not just for decisions on public spending in Wales, but by being responsible for raising some of the money needed to pay for those decisions. Even local authorities, despite receiving block grants, have responsibility for raising local council tax, and consequently they recognise the difficulty of raising tax moneys before they spend money. There is no reason why one institution—

Owen Smith (Pontypridd) (Lab): Will the right hon. Lady give way?

Mrs Gillan: I have been very generous, and would now like to make some progress.

There is no reason why one institution should be immune from raising taxes, and instead simply spend money and continue to ask for more—but the Labour party seems to think that that should continue. Only last Friday the right hon. Member for Neath said in *The Western Mail* that seeking more accountability for the Assembly and the Welsh Government was a "curiously disturbing motive", so I certainly look forward to hearing his further observations in a minute, because I should like him also to explain the contradiction between his position and that of the Labour First Minister, who welcomes the commission and its objectives.

The first part of the Silk commission's remit is to look at financial accountability. It will consider the case for devolving fiscal powers and recommend a package of powers that could improve the Assembly's financial accountability. Those powers would need to be consistent with the United Kingdom's wider fiscal objectives.

The commission will consider the tax and borrowing powers that could be devolved to the Assembly and the Welsh Government. Those include powers in relation to landfill tax, air passenger duty and stamp duty, but they are not limited to those taxes. The commission's remit, however, is to recommend the devolution only of taxation powers that are likely to have wide support, and it will need to consult broadly to secure that support not only in Wales but in other parts of the United Kingdom.

Huw Irranca-Davies: I thank the right hon. Lady for giving way again; she is generous. I wish to ask about her position as Secretary of State on a point of principle underlying the Silk commission's consideration of such fiscal powers. Does she agree that it would be wrong of any review to make recommendations that were to the financial disadvantage of the people of Wales, recognising, good Unionist that she is, that the nature of the Union depends on ensuring that economically disadvantaged areas receive greater subsidy from other parts of the UK? On that point of principle, does she concur that today we should all agree that any review of fiscal union does not disbenefit the status quo in Wales, and should if anything improve its lot?

Mrs Gillan: The hon. Gentleman makes a valid and good point, but once again I do not want to prejudge or tie the hands of the Silk commission, although I cannot imagine a situation in which an agreed solution, as I have anticipated and laid out in the terms of reference, would disadvantage Wales. That is far from my motivation, as he will see as I progress with my speech.

The commission already has contributions to its evidence base from work such as the Holtham commission's reports, which were prepared to a Welsh Assembly Government remit, but crucially, unlike Holtham, the Silk commission can take things a step further. The terms of reference require the commission to consider implementation and to make recommendations on how best to resolve the legal and practical implementation issues that arise from devolving a package of fiscal powers and having consistency within the United Kingdom.

The commission will aim to report on part 1 of its remit in the autumn of next year, and the Government will consider its recommendations very carefully. Members may wish to contribute directly to the commission as well as in today's debate, but I very much hope that we will be able to hold a debate, again on the Floor of the House, at some stage following the delivery of part 1 of the commission's findings, because the intention is to take the matter forward as consensually as possible.

The commission will then turn its attention to the second part of its remit—to look at the current constitutional arrangements in Wales. Specifically, it will consider the powers of the Assembly and the boundary between what is devolved and non-devolved, and make recommendations to modify the boundary, if they are likely to enable the Welsh devolution settlement to work better. Again, the commission will need to consult broadly on its proposals and make only those recommendations for change that are likely to have wide support.

Currently, the Assembly has powers in all 20 devolved areas, and it will be for the commission to decide whether there is a requirement to tidy up the devolution boundary, but any further changes to the settlement will need to be right for Wales and right for the United Kingdom as a whole. I anticipate the commission reporting on part II of its remit in 2013.

With the exception perhaps of the right hon. Member for Neath, there is broad agreement on the basis for moving forward and considering issues of both fiscal devolution and accountability. The Government have moved forward collaboratively with all four political parties in the Assembly, in establishing the terms of reference and the members of the commission, and I thank in particular all four party leaders in Cardiff Bay for the positive and co-operative spirit in which they are engaged with me and my office to agree the way forward.

David T. C. Davies: We are at an early stage in proceedings, but will my right hon. Friend and, perhaps, the right hon. Member for Neath (Mr Hain) when he speaks explain whether those nominees will be representatives who represent what their parties think, or delegates who simply pass on what their parties suggest?

Mrs Gillan: That is a matter not so much for me, but for the right hon. Gentleman, who I am sure will want to deal with it when he addresses the House. As far as the Conservative party is concerned, I want to be as inclusive as I can of people's views, and that is why I am trying to create a period in which any member can make a contribution. The Conservative party, in particular, will make contributions to the Silk commission's proceedings.

Hywel Williams: I merely wish to note that some distinguished members of the commission are not strictly aligned to political parties. I am sure that they will make a contribution that might even satisfy the hon. Member for Monmouth (David T. C. Davies). Given the quality of the representation, it would be strange if they were there merely to be mouthpieces for political parties. Clearly, they have a great deal to contribute as individuals.

Mrs Gillan: I am about to come to the composition of the commission, and I will pick up the hon. Gentleman's point then.

Huw Irranca-Davies: On a point of detail about the possible extension of powers that the Silk commission is considering, will that include energy consents? The matter has been debated a lot recently, as the Secretary of State knows, and it has some support, and opposition, on both sides of the House. Ministers have made it clear that they do not think that it should be part of the commission's deliberations. Will she clarify the situation?

Mrs Gillan: I am grateful to the hon. Gentleman for raising that matter, particularly as before the debate I was looking at the party manifestos for the Assembly elections. He will know that I regularly receive requests for powers over all sorts of areas, and I expect those areas to be looked at. It is fair to say that I expect the commission—this is subject to the way in which it wishes to conduct its business—to consider requests for energy consents for projects of more than 50 MW, and to consider trust ports, rail and separate Welsh legal jurisdiction, all of which have been raised up the agenda by one or other party, or the Welsh Government. It is right that it should have the opportunity to consider energy consents, but I have an extremely long list of things that other parties want fully devolved, which will not stop until the point of separatism is reached. He and I agree that that is not the way to go. The commission may find itself having to consider several other areas, but I am not going to restrict its operation by anything we say in the House. Indeed, I am looking forward to seeing the outcome.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Will the Secretary of State give way?

Mrs Gillan: May I make a little progress? The commissioners bring a wealth of experience to their important task. The commission is chaired by Paul Silk, a distinguished former Clerk to the National Assembly and to this House, whom we all know. Paul is already getting to grips with his task and introducing himself to those with an interest in the commission's work.

The hon. Member for Arfon referred to the two independent members, and they are very distinguished. Dyfrig John CBE is chairman of the Principality building society and a former deputy chairman and chief executive of HSBC bank. Professor Noel Lloyd CBE is a former vice-chancellor and principal of Aberystwyth university. Neither is on the commission with a political remit. They are there as independent members to offer their best advice and to support the other members. I am sure that absolutely nothing from them will have a political bias. They will consider matters objectively and with expertise.

There are also four party political nominees on the commission, each nominated by one of the four political parties in the Assembly. Professor Nick Bourne is the Conservative nominee, and former leader of the Welsh Conservatives in the Assembly; Sue Essex is the Labour nominee, and a former Welsh Assembly Government Minister; Rob Humphreys is the Welsh Liberal Democrat nominee, and director of the Open university in Wales; and Dr Eurfyl ap Gwilym is the Plaid Cymru nominee, and best known for giving Jeremy Paxman a run for his money. I am sure that the commission's debates will be lively. I believe that that is a first-class team, and it will meet for the first time tomorrow to consider how it will work through the next two years. The commission has a challenging brief because, importantly, we hope that it will build consensus on its proposals.

Guto Bebb (Aberconwy) (Con) *rose—*

Mrs Gillan: I will give way first to the hon. Member for Carmarthen East and Dinefwr—I have not given way to him previously—and then to my hon. Friend.

Jonathan Edwards: Based on what the Secretary of State says about consensus, which we hope the commission will be able to achieve, will she outline the process, how its recommendations will reach the statute book, and the time frame? No one in Wales is interested in a kicking-into-the-long-grass game.

Mrs Gillan: It depresses me a great deal to hear hon. Members say that I am kicking the matter into the long grass. I am certainly not. I am trying to take a mature and adult look at the financial structures and the constitutional and legislative structures affecting Wales. However, I will not prejudge the outcome, and I will not be prescriptive, but I have to look at potential timetables. Three have been set out. One has a shorter time scale, which assumes that, whatever the recommendations, no manifesto commitments or referendum would be necessary. In fact, it would be very difficult to produce a Bill by the time of the next general election, and the time scale could be unfeasibly short. However, again, I am not ruling that out; I am simply saying that it would be difficult. If we did that, and if there were new fiscal and constitutional powers, they would be implemented post-2015.

Another scenario is based on a manifesto commitment and no referendum, which would lead us to believe that there would be legislation after the next general election. However, I do not know what the Silk commission will recommend, or whether it will require both manifesto commitments and a referendum, in which case the time scale would be slightly longer.

I would like the hon. Gentleman to take me at my word. We are taking a long, hard look at the matter in a genuinely cross-party way. I think he knows that I made some effort to ensure that his party was included, because I thought it was important to start as we mean to go on. I hope that we will continue in that vein, although I appreciate that anything could happen at any time.

Guto Bebb: I share the view that the membership is impressive and that it will do a good job, but I have been contacted by a small number of constituents who have asked whether it will be remunerated for its work on our behalf.

Mrs Gillan: My hon. Friend can reassure his constituents that no member of the commission is being remunerated. They have all agreed to waive remuneration, but their expenses will be met from my Department. We have set aside a sum of money over three years to meet those expenses. At this stage, we are not sure how they will pan out, because I want the commission to decide how it will do its work, as it rightly should, and I do not want it to be restricted. He can reassure his constituents that the commission is doing this work for its love of Wales.

Jenny Willott (Cardiff Central) (LD): I apologise for my voice being about an octave lower than normal. This is not a point I often make, but there is only one woman on the commission. Will the Secretary of State assure the House that it will take evidence from and talk to a wide range of people to obtain a broad range of views from both genders and across all communities in Wales, including different ethnic minority groups, so that it can take account of different perspectives?

Mrs Gillan: That point was well made. I, too, was concerned, and I looked at the gender balance, having been a former Minister for women. I think Sue Essex will be a doughty and robust member—*[Interruption.]* As my hon. Friend the Member for Lichfield (Michael Fabricant) says, she is equal to two men. I am sure she will give us a run for our money.

I agree entirely that many of the matters that the commission will discuss will be of great interest not only to women, but to ethnic minorities. I am sure that Paul Silk will take on board the concerns of my hon. Friend the Member for Cardiff Central (Jenny Willott).

We now have 12 years of experience of devolution in Wales. That has involved not one but two pieces of legislation that have been used to try to shape devolution to the purposes of the previous Government. There is obviously much that could be said about the effectiveness of the Assembly and the Welsh Government, but that can be better examined and tested with more accountability and the benefit of that experience.

The Government are now trying to ensure that we have a process to assess the position of Wales within the United Kingdom and to take a detailed, objective and structured examination of the architecture of devolution. This is a mature way to ensure that the Assembly and the Welsh Government get the responsibility they need to ensure accountability, and that the dividing lines on devolution benefit Wales and do not leave the Administration perpetually demanding more powers and more money rather than getting on with the business of running the devolved areas for which they have responsibility.

This is also an important statement of intent by the coalition Government. The Welsh Government receive nearly £15 billion a year from the Treasury, but, as I have said, are not accountable for raising a penny they spend. We do not think that is right, and I am certain that taxpayers do not think it is right either. I want the argument, for once, to move away from whether there is enough money to how it is spent and whether it is spent effectively. It is true to say that a Government who take from Peter and give to Paul can always rely on the support of Paul. We are asking the commission to see whether Paul can also make a contribution.

I look forward to hearing Members' contributions and maintaining an open mind on how we can improve devolution and, through that, the economy of Wales and the well-being of its people. I hope that we will hear moderate, realistic and interesting views on the balance of powers between Westminster and Cardiff. I am sure that everyone in this House will send Paul Silk and the members of the Silk commission their best wishes for the task ahead.

1.41 pm

Mr Peter Hain (Neath) (Lab): Let me begin, Mr Deputy Speaker, by welcoming the fact that we have a Welshman in the Chair for this debate—a Swansea boy who is, I am sure, delighted that Swansea City is in the premiership playing some very good football this season.

Just for the record, I cannot let the Secretary of State continue to repeat the fiction that when she arrived at the Wales Office in Gwydyr house in early May, the cupboard was bare and nothing had been done about the referendum. She knows that that is not the case. She will also know that a couple of days before she went up the stairs at Gwydyr house to occupy the office, I had sought confirmation that we could have delivered the referendum by the autumn, if we really had to; it would have been a tight squeeze, to repeat the phrase used. Let us hear no more nonsense from her about that, or about the housing legislative competence order. As my hon. Friend the Member for Caerphilly (Mr David) reminded her, the housing LCO was ready for Royal Assent, and she sabotaged it; the Conservative party refused to carry it through. She knows that that is true, so I am surprised that she is continuing to say these things.

Alun Cairns *rose—*

Mr Hain: I am happy to take an intervention a little later.

I am intrigued by accountability; that is why I picked up the Secretary of State on that issue in *The Western Mail*. I am glad that she reads *The Western Mail*, and my comments in it, assiduously. It is not for the Secretary of State for Wales to decide in which way the Welsh Government or the Welsh Assembly should be accountable to the people of Wales. The Welsh Assembly is elected by the people of Wales; she is not elected by anybody in Wales. That is the true line of accountability that operates.

Mrs Gillan: All I can say is that, as my hon. Friend the Under-Secretary once remarked, I am a Welshwoman born in Wales and therefore have a great interest in the land of my birth.

I read the right hon. Gentleman's article in *The Western Mail* very carefully, and one of the things I objected to was his fear-mongering among the people of Wales. He gives the impression that we would halve public spending in Wales, and that is absolutely not the case. He should be ashamed of even suggesting that and frightening people in Wales in that way. He knows that this is an open consultation to see how we can do things better. Any fool can spend money, but those who spend money need to have some responsibility for raising it so that they can spend it rightly.

Mr Hain: My, my—the Secretary of State sounds rather furious. I seem to have touched a sensitive spot. I shall deal with this point later.

We welcome the establishment of the Silk commission, which, as the Secretary of State said, has been established on an all-party basis. The Welsh Assembly, which is well over a decade old, is now truly embedded into Welsh civic society, so there may be a case for looking at increasing its financial powers and flexibility. As the First Minister, Carwyn Jones, has indicated, devolving stamp duty, aggregates tax and new borrowing could be advantageous to the Welsh Government and, indeed, to the people of Wales.

I agree that Paul Silk is a very good choice for this task—a distinguished Clerk in this House before he became the first, and even more distinguished, Clerk of the Assembly. I welcome what the Secretary of State has said about wanting to go forward on a consensual basis. It is important that any Bill emerging from the work of the Silk commission is born out of consultation and consensus, unlike the Parliamentary Voting System and Constituencies Bill or the Fixed-term Parliaments Bill, which were forced on Parliament with little or no engagement with Opposition parties, the public or interested groups and experts.

Mrs Gillan: May I put the record straight? As the right hon. Gentleman knows, I gave every Welsh MP the opportunity to meet the relevant Minister on an open-ended basis. The PVSC Bill was debated on the Floor of the House for 53 hours and 40 minutes; there were plenty of opportunities for Members to contribute.

Mr Hain: Let me say this to the Secretary of State: when in a hole, stop digging. She knows that she denied Members the opportunity of a Welsh Grand Committee debate, which was requested by my right hon. Friend the Member for Torfaen (Paul Murphy) and by the leader of Plaid Cymru, the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd). Every member of the Welsh Labour group and other Members wanted

[Mr Hain]

that debate as well, because Wales is being savagely penalised by this Bill, on which there was no consultation at all.

Mrs Eleanor Laing (Epping Forest) (Con): I speak as someone who was here in this Chamber for most, if not all of the 54 hours on the Bill that the Secretary of State mentioned. Does the shadow Secretary of State accept that that Bill, in changing the parliamentary boundaries, affects not only Wales but the whole of the United Kingdom, and that matters that affect the whole of the United Kingdom, including Wales, have to be dealt with in this House?

Mr Hain: Of course it had to be dealt with in this House, but the impact on Wales received virtually no debate. There is clearly a lot of sensitivity among Conservative Members on this matter, and I am not surprised. The Secretary of State rejected the request for a Welsh Grand Committee to discuss the fact that Wales is suffering a cut of 25%—a quarter—of our representation, which will affect a lot of parties and communities in Wales. That was never debated properly.

May I make one other point—

Guto Bebb: Will the right hon. Gentleman give way?

Mr Hain: If I am allowed to finish my response to the hon. Member for Epping Forest (Mrs Laing).

My other point is that such constitutional matters, particularly parliamentary boundaries, have traditionally always been dealt with on a consensual basis. This is the first time that a politically partisan rigging of the parliamentary boundaries has been introduced in this House and forced through.

Huw Irranca-Davies: This is very pertinent in learning the lessons in terms of how the Silk commission operates. We cannot have a debate when none of the voices are heard. The Secretary of State has said that she wants these voices to figure as part of the work of the commission, but that did not happen in the boundaries review. None of the Welsh concerns was heard and none was acted on; it was a travesty of democracy.

Mr Hain: I absolutely agree.

Mr Deputy Speaker (Mr Nigel Evans): Order. As was intimated by the intervention by Huw Irranca-Davies, we are now straying off the subject of the Silk commission, so could we get back on to that, please?

Mr Hain: Indeed, Mr Deputy Speaker, I am happy to, and I will not be led astray any more by interventions from the Conservative Benches.

The Labour Government, recognising the call from the majority within the Scottish Parliament, commissioned the Calman report, to instigate a serious and thorough analysis of how a new settlement in Scotland might be achieved. Crucially, it was based upon cross-party consensus, expert analysis and real engagement with the Scottish public. It is fundamentally important that this Government adopt a similar approach to Wales. I am encouraged by what the Secretary of State said in that respect, but in truth I am deeply suspicious of the real Tory agenda that lies behind the Silk commission.

The commission's terms of reference state that any devolution of powers must be

"consistent with the United Kingdom's fiscal objectives".

Can the Secretary of State explain what is meant by that? I wonder whether, in drawing up the terms of reference, the Chancellor, the Secretary of State and others were thinking of Switzerland, which has a highly federalised and separate tax system in its various cantons, and which demonstrates how such a system can lead to lower public expenditure—not a model that we desire or will accept for Wales. Silk must not become an excuse for this right-wing Government to offload their financial obligations to lower-income parts of the UK, such as Wales.

Geraint Davies: Does my right hon. Friend accept that given that gross value added in Wales is 74% of the UK average, and that we therefore have a lower tax base to tax from, if an equivalent to the Scotland Bill passed 10 points of marginal taxation over to Wales, we would end up raising only 74% of the money possible? We could end up with 20p taxpayers contributing only 17.5p in the pound. That may be one of many methods used to reduce the amount of public expenditure in Wales, but the Government could say, "Oh, don't worry, you've got tax-raising powers. You'll be all right."

Mr Hain: My hon. Friend makes a significant point that the Silk commission will need to take account of in its deliberations.

Mrs Gillan: The right hon. Gentleman asked me a direct question, and I will give him a direct answer. Devolved funding rules, as set out in the statement of funding policy, operate within the UK's fiscal framework. We therefore expect any changes that come out of the commission's work or intergovernmental talks to be consistent with that framework, for example as set out in the programme for government. As he knows, that is because macro-economic policy is a reserved matter for the UK.

Mr Hain: I am grateful. The Secretary of State is confirming, then—I am not challenging her on this point—that should there be a derogation in the case of, for instance, stamp duty, that would be taken from the Welsh funding block. That is what I understand her reply to mean.

My second element of disappointment is that the Silk commission will not consider the Holtham commission's proposals for funding reform in Wales. It was the previous Labour Welsh Government who established the Holtham commission, and it produced conclusive evidence that Wales is now underfunded compared with its needs. As I think both Government parties here in Westminster now acknowledge, it was either naive or cynical of them to promise in their manifestos swift and radical reform of the Barnett formula—a promise that they had to betray after just one week in government.

We are aware that Holtham does not offer a quick solution, and that there would be impacts on the other devolved nations and regions. The introduction of a Barnett floor, which was a Labour manifesto commitment

and a proposition featured in the Holtham commission's two reports, would have ensured that Wales's position did not become worse. Why have the Government not considered introducing a floor similar to the one that we proposed, which was agreed with the Treasury? It could be implemented relatively straightforwardly, again with the agreement of the Treasury.

The green budget published last year by the Institute for Fiscal Studies entirely vindicated Labour's approach to the funding of Wales. By showing that the Barnett formula is only now beginning to disadvantage Wales for the first time, it proved that we were right to stick with it until last year, and equally right to proceed with reforming it thereafter. Make no mistake, up until that point the Barnett formula had served Wales well. There is no doubt that had we ripped it up several decades ago, as the nationalists advocated, Wales would have lost out. The collapse of the banks and the scale of the financial crisis suffered by Iceland and Ireland have been devastating to the nationalists' arguments for fiscal autonomy.

Mr Llwyd: I take it that the right hon. Gentleman read the deliberations of the Holtham commission. If so, he will have seen that Gerry Holtham opined that the year-on-year underfunding of Wales went back quite a few years. It is absolute revisionism to suggest that it goes back just to the last year of the Labour Government.

Mr Hain: If the right hon. Gentleman looks at the whole Holtham commission report, he will notice that spending was converging with the English average and coming towards the point that it reached last year, when it started seriously to disadvantage Wales. That was the point I was making.

Huw Irranca-Davies: To the best of my knowledge, the Holtham report did not mention the fact that in successive years of the Labour Administration, it was vital that we recognised Wales's particular needs through the Barnett-plus funding settlements, which increased funding for Wales from some £7 billion to something in excess of £14 billion—way above Barnett. That reflects how the Labour Government ensured that Wales had the proper funds to do the work we needed to do.

Mr Hain: My hon. Friend is absolutely right. The Welsh budget more than doubled under our Government, and special additional funding meant that it went above what Barnett would have offered.

Alun Cairns: The right hon. Gentleman underlines the fact that the Welsh budget doubled in that period, but will he recognise that Holtham also reported that in a period of spending constraint and public spending reduction, the Barnett formula protects the Welsh budget?

Mr Hain: I accept the hon. Gentleman's point to the extent that Holtham did recognise that when there is a period of spending restraint, or even cuts, underfunding and funding convergence do not happen to the same degree. However, I am not sure what the hon. Gentleman is arguing. Is he saying that spending cuts and restraint have a good impact on Wales?

Roger Williams (Brecon and Radnorshire) (LD): Does the right hon. Gentleman agree that reform of the Barnett formula is about not just Wales but Scotland as well? Of course, circumstances are very different in Scotland, and trying to reform the formula when there is a contracting economy would be very difficult for Scotland.

Mr Hain: We are talking about Wales, but I think most people, including the Scots, would concede that Scotland has done pretty well out of the formula compared with Wales. Wales is now losing out under it.

As the Barnett formula reaches the end of its life, now is the time to act. In refusing to address the convergence problem that is now occurring, the Government are penalising and disadvantaging Wales. We always acted responsibly and in the interests of Wales, and we are the only party with a deliverable and fair funding plan for Wales. Silk cannot be used to let the Government off the hook on Barnett. Although we are open to the idea of Wales raising some of the money that it spends—perhaps, as the First Minister has indicated, through stamp duty and aggregates tax—that must not be at the expense of the needs-based settlement that is vital for Wales.

Jonathan Edwards: As the right hon. Gentleman knows full well, the issue of Barnett will now be dealt with through discussions between the Welsh Government and the UK Government. Rather than try to undermine the Silk commission, would he not be better off turning his guns on the First Minister so that he gets his act together?

Mr Hain: I do not think I want to turn my guns on the First Minister at all, but I know the hon. Gentleman is fond of doing that. The First Minister is seeking to make progress on these matters, as he has very effectively so far.

Geraint Davies: Will my right hon. Friend give way?

Mr Hain: I will make a bit of progress, then I will happily take interventions.

Holtham calculated that approximately £17.1 billion of tax revenue is raised in Wales every year. Total public spending in Wales is about £33.5 billion—almost twice the amount raised. We should not be ashamed or embarrassed by that. Wales's needs are greater than those of other parts of the UK. We have a history of relatively high levels of ill health, caused by our industrial legacy of mining and heavy industry. Also, we suffered the cataclysmic shock of sudden and mass unemployment, with the wholesale pit and traditional industry closures in the 1980s, which left high levels of economic inactivity and, because the then Tory Government did not drive investment to create new industrial sectors, relatively lower levels of business activity. That is why we should look before we leap. The so-called devolution-max or independence-light settlement advocated by the nationalists —and, I suspect, tempting to the Tories—could be disastrous for Wales.

Jonathan Edwards: The shadow Secretary of State is quoting figures from the Holtham commission, but that commission reported that the revenue raised in Wales

[Jonathan Edwards]

by UK-wide taxes was £17.1 billion and that UK expenditure was £25 billion, not the £33 billion that he has been quoting in the press today.

Mr Hain: I disagree. I checked with the House of Commons Library, and it was in the same territory as the Holtham commission.

Alun Cairns: I am not sure whether the right hon. Gentleman has a brass neck or simply selective hearing or a selective memory. Does he not recall that Wales, in the 1980s, was not the poorest part of the UK, and that, in spite of Labour Governments in Cardiff Bay and a Labour Government in Westminster, Wales is now the poorest part of the UK?

Mr Hain: I am astonished that a Member of Parliament for a Welsh seat is trying to defend the Government's impact on Wales in the 1980s. As a result of Tory policies, there was mass unemployment and people were smuggled on to incapacity benefit to disguise the unemployment figures and left there—a whole generation of young people—never to work again. I am astonished that he is trying to defend that.

Geraint Davies: I have figures from the House of Commons Library on the difference between expenditure and revenue showing net contributions of £14.6 billion in Wales and £14.3 billion in Scotland. Does that not demonstrate that independence for Scotland and Wales would only result in an impoverished Scotland and Wales? We need a fair system based on needs.

Mr Hain: That is exactly what I have been arguing.

Under devolution-max, as we understand it from the Scottish model, Wales would be responsible for raising all its own revenue, but we simply could not do it. It would be impossible suddenly to halve public spending in Wales. With devo-max, income tax and other taxes would literally have to double overnight just to maintain current spending levels, which is clearly a preposterous scenario—if ever implemented, it would have a devastating impact upon the Welsh economy and people's way of life. However, I can see how it would be an attractive solution to some Tory stockbrokers in the south-east—people in Chesham and Amersham, for example—because it could mean massive tax cuts for them. Devo-max is yet another example of shared interests by the Conservatives and nationalists. It is no wonder that Plaid Cymru is so reluctant to criticise the Government, preferring to focus all its fire on Labour, as has happened in the past few minutes. They have much in common, which explains why they have consistently refused to rule out a coalition in Wales.

We should celebrate both the successes of devolution and the economic, social, cultural and political ties that bind us together—they are probably stronger now than ever before—but devo-max, or independence-light, is not the answer to the economic problems that Wales still confronts. Labour's vision is of a Britain in which the stronger, richer parts support the weaker, poorer parts—a Britain fairer, more just and more equal, not an unfair, unjust, unequal Britain where the weakest go to the wall. I hope that the Silk commission will take close account of that important principle.

Guto Bebb: Is it not the case that, during the 13 years of Labour Government, the Labour party's ambition for Wales was to create a dependency culture, in which we were given handouts by England, rather than to encourage the entrepreneurial activity that we saw in the 1980s?

Mr Hain: If that nonsense is true, why did we have record employment under our Labour Government, why were there more jobs in Wales than ever before in our history under our Labour Government and why were there higher levels of business activity under our Labour Government? We had a record of economic success before the global financial crisis that was second to none. I am astonished that the hon. Gentleman is seeking to dispute that.

Alun Michael (Cardiff South and Penarth) (Lab/Co-op): Does my right hon. Friend agree that it is amazing to hear Government Members trying to rewrite the history of the '80s? Many of us entered the House because of the experience of seeing young people abandoned by a Conservative Government and their economic policies so that they were unable to make their way in the world.

Mr Hain: My right hon. Friend makes a powerful point with great passion precisely because he was one of the people who entered Parliament to fight for the rights of young Welsh citizens who were denied by that callous Conservative Government.

I hope that the Silk commission will take account of the principles of fairness and justice in its deliberations. Some resources from the south-east of England are, and in future should still be, redistributed to Wales, the north-east of England and other areas of England with lower levels of economic activity and prosperity in order to help everywhere in Britain to become economically more sustainable. However, I remain suspicious that this right-wing Government do not share this vision for Britain and may exploit the Silk commission for their own ulterior motives.

Compared with Scotland, there is a much more significant amount of commuting across our border with England, as pointed out earlier by my right hon. Friend the Member for Delyn (Mr Hanson). Traffic flows across the Wales-England border are substantial. North-east Wales is highly integrated into the economy of Merseyside and north-west England, while in south Wales the bulk of traffic movement is focused along the M4 corridor. About 80,000 people live in Wales but work outside Wales in the UK, and about 50,000 people work in Wales but live in the UK outside Wales. This gives a total of about 130,000 people who travel across the border to work every day. A little over half of this cross-border traffic is accounted for by people commuting in and out of north Wales. Despite Scotland's much larger population, the number of commuters crossing its border is roughly one third of the number commuting in and out of Wales.

More than 1.4 million people in Wales—nearly half its total population—live within 25 miles of the border with England, and nearly 5 million people in England live within 25 miles of the border with Wales. In aggregate, 30% of the population of Wales and England—nearly one third, or more than 16 million people—live within 50 miles of the border between the two countries. In

contrast, the number of people living close to the Scotland-England border is much smaller. Only 5% of the combined population of Scotland and England—just one sixth of the equivalent for Wales, or about 3 million people—live within 50 miles of the border between those countries. Given that the Welsh economy is much more closely bound into the economy of England than is the Scottish economy, the potential for economic distortions and tax avoidance as a result of tax devolution is of greater concern in Wales than in Scotland, which is why the Calman agenda cannot simply be transposed wholesale on to Wales. We would like a clearer indication from the Government of how they intend to deal with these crucial cross-border issues, and I hope that the Silk commission will address them.

Something else is not within remit of the Silk commission, however, but the issue is much bigger than the Barnett formula or tinkering with the constitution—it has felt like the elephant in the room during today's debate. There is a serious jobs crisis in Wales, and the Government need to wake up urgently to that. For example, Tata Steel employs 20,000 people in the UK, of whom 8,000 are in Wales, in overwhelmingly highly skilled, well-paid jobs, with three to four times that number of dependent jobs in the economy outside. In Wales, that means perhaps 25,000 or more jobs. Last week, MPs were briefed by Tata's European chief executive. He did not mention corporation or any other tax, which the Silk commission is considering. Instead, his overriding criticisms of Government policy, which he worried was threatening the future of steel manufacturing in the UK—at Port Talbot, for example—were very different. He said that the Government had to act on raising demand for UK steel through infrastructure investment—in other words, through more growth and jobs. He also argued that energy costs were far too high—fully half as high again as in France. What are the Government going to do about that? Nothing.

David T. C. Davies: I had similar representations from Tata. The company is clearly worried about energy costs rising as a result of environmental taxes, which are being implemented because of a perception of increased temperatures, which do not seem to be increasing at the moment. Does the right hon. Gentleman think it is time to look at the issue again?

Mr Hain: I know that the hon. Gentleman has a reactionary view on the climate change agenda—perhaps that is reflected in his question—but the briefing that we had from the European chief of Tata Steel was clear. He said that it was overwhelmingly the lack of Government support and investment in the economy—and the demand for steel that comes from that—that was hitting his industry so badly, along with energy prices, thereby risking future investment. Incidentally, the hon. Gentleman's question also gives me the opportunity to remind him that although he celebrated the county of Monmouthshire's no vote, the fact is that 49.36% voted yes, while 50.64% voted no. That does not seem to be a massive rejection of devolution in Monmouth.

Huw Irranca-Davies: Will my right hon. Friend confirm from the discussions with Tata Steel and others that they are not opposed to environmental taxes per se? They are opposed to the Government's inept handling of taxes such as the CRC, or carbon reduction commitment, and the carbon floor price, which are rightly perceived not as stealth taxes—there is nothing stealthy about them—but as a deliberate blow to our energy-intensive users. What they are saying to the Government is: "When you're dealing with taxation issues"—as the Silk commission is—"you should do it with industry, not tell industry what's happened to it after the event."

Mr Hain: My hon. Friend, who has expertise in this matter from his previous shadow ministerial job, makes a valid point. Indeed, Tata Steel also talked to us about the carbon price element that is threatening the future of its industry in areas such as Llanwern and Port Talbot.

Mrs Gillan: The right hon. Gentleman will therefore be greatly reassured to know that I was at Tata Steel for our business advisory group meeting at the end of last month, where I had long discussions. I am sure that he would not want to cause any anxiety to the work force. I was pleased to hear that long-term investments continue to be made by Tata Steel and that it welcomes its good relationships and exchanges with my colleagues in the Cabinet on matters pertaining to the success of that business.

Mr Hain: I am glad that the Secretary of State had that conversation, but all I can do is report to the House—and it is important that she hears it too—what the European chief of Tata Steel told a group of Members who met him last week, which is as I have described it. He was not concerned about any of the issues to do with the Silk commission, as we are in this debate. It is important for the Government to recognise that they should not ignore the economic realities and flirt with tax devolution—by, for example, devolving corporation tax—when that is not even on Tata's agenda.

As for investment, Tata Steel's European chief pointed out that the new and welcome investment at Port Talbot might not have been made had he been aware of the climate now affecting the company as a result of the Government's incompetence, which is damaging steel production. Instead of addressing that, the Government are, through the Silk commission, considering matters such as devolving corporation tax.

A review undertaken in 2007 by Sir David Varney for the Treasury pointed to academic research that suggested that only about half the impact of a corporation tax cut was usually recovered through increased growth and investment. The question is: would lowering corporation tax in Wales to, say, the Irish level—if the Silk commission is to consider that—generate enough extra tax, including income tax, to compensate for the £400 million or so that is likely to be lopped off the Welsh block grant to comply with European Union state aid rules and compensate the Treasury for lost revenue?

The Secretary of State for Northern Ireland is an enthusiast for devolving corporation tax. Nevertheless, he told me that he thought it would take at least 15 years for the Northern Ireland economy to generate the growth and jobs that he anticipated from halving corporation tax, as is planned there, that would be sufficient to produce an equivalent income to compensate for the loss to the Northern Ireland block grant. What Welsh Government would choose to lose around £400 million now and each year for the best part of two

[Mr Hain]

decades in the hope—and only the hope—that extra inward investment and business activity would eventually make up the shortfall?

Mr Hanson: To return to the cross-border issue, in the event of the Silk commission determining that corporation tax could be varied, would not the north-west of England then make the same demands on the Treasury for varying powers for its region? The point that my right hon. Friend should emphasise to the Secretary of State is that the Silk commission should look at the consequences of those variations for both Wales and the English side of the border.

Mr Hain: My right hon. Friend makes a powerful point that I hope the Silk commission will take account of.

It is simply no answer to offload tax-raising powers to Wales that will at best have a marginal impact and at worst—because of the compensating cuts in the Welsh budget—worsen the prospects for jobs, business and infrastructure investment in Wales. Meanwhile, in the real world, unemployment in Wales is rocketing. Six people are chasing every vacancy—many more in some areas of Wales—and the Government have no plan to deal with the problem. Unless they change course, it will get worse and worse.

Mr David: Does my right hon. Friend accept that a huge problem in Wales is that the private sector is dependent on the public sector, which means that cuts in the public sector affect the private sector as well?

Mr Hain: Absolutely. I have had many discussions with businesses in Wales that have been severely damaged—some have even been threatened with extinction and bankruptcy—as a result of public spending cuts, because they depend for their activities, whether they be providing services, procurement or whatever, on the public purse.

By all means consider the Silk commission agenda, but unless the Government change course, things will get worse and worse for Wales. It is the most vicious of circles: fewer working means fewer people paying taxes, which means less money to pay off the deficit. As Wales gets poorer, how can it be expected to raise its own money through taxes, as the Secretary of State would like, if the revenue coming in is being cut? There are serious questions for the Silk commission to consider, because the Government's cuts are choking off growth, and tax revenue in Wales is diminishing substantially. I do not want the Welsh budget to be cut because of what might be deemed to be the gap in the revenue going to the Treasury arising from devolving taxes—which might happen as a result of the Silk commission—only to find that those taxes do not make up that gap.

Huw Irranca-Davies: Will my right hon. Friend give way?

Mr Hain: I will, but then I had better make some progress, because I have been on my feet for a while.

Huw Irranca-Davies: My right hon. Friend is generous in giving way again. May I urge him to advocate from the Dispatch Box a tax change that we can introduce right now, namely a national insurance tax holiday for small businesses? That would encourage far more people to take on more employees, including women, who are significantly disadvantaged at the moment. We do not have to wait for the Silk commission; the Government should adopt our five-point plan right now.

Mr Hain: I completely agree, and I have been urging that on the Secretary of State in this debate. Cutting VAT to 5% for businesses involved in home maintenance and repairs could revitalise a building industry that is on its back in Wales. That should be the priority for the Secretary of State.

Families across Wales are struggling with rocketing food prices and electricity, oil and gas bills, and are worried about their jobs and their children's futures. Far from our economy being a safe haven, our recovery was choked off last autumn, well before the eurozone crisis. Our economy has stagnated for over a year now. However, there is a better way. We need a plan for jobs and growth to get the Welsh economy moving again and help get the deficit down in a steadier and more balanced way. That is what the Secretary of State should be focusing on for Wales, not simply the Silk commission's tax and powers agenda.

Jessica Morden (Newport East) (Lab): My right hon. Friend has been generous in giving way, and I agree with him wholeheartedly. What my constituents want more than anything is for the Government urgently to come up with a jobs and growth strategy, which is currently missing. Does he agree that the establishment of the Silk commission, although a great thing in the long run, should not deflect from the urgency of the current situation?

Mr Hain: I completely agree; I could not have put it better myself. I hope that the Silk commission will consider the context in which it is operating, and that, if it does advocate some tax devolution, which I think would be sensible in some respects, it will consider the wider picture and the impact of the lost revenue, indirectly, to the Welsh budget.

Geraint Davies: Will my right hon. Friend give way?

Mr Hain: I want to make some progress, if my hon. Friend does not mind. If there is time at the end, I will certainly give way to him.

Labour has set out a clear five-point plan to create jobs, to help struggling families and to support small businesses in Wales. Our jobs plan includes tax breaks for small businesses taking on extra workers, a temporary VAT cut that would give families a boost of around £450 a year, and a tax on bank bonuses to fund jobs and training for young people. I urge the right hon. Lady's Government to implement it, alongside the work of the Silk commission. If the Chancellor were to come to the House with such a plan for growth, we would support him.

Thanks to devolution, Wales is showing that there is an alternative. The Welsh jobs fund will provide 4,000 job and training opportunities for 16 to 25-year-olds each year, along with an extra 500 police community support officers for safer communities, and support for Welsh students so that they do not have to pay higher tuition fees. Labour First Minister, Carwyn Jones, is proving that, although cuts are unavoidable, they do not have to

be allied to the chaos of a privatisation plan for the NHS, or to a plan to close down opportunities in our universities, or, with the greatest hypocrisy of all, to the simultaneous devaluation of vocational education while making it even harder for young people leaving school to get a job.

Guto Bebb: Was it not rather unreasonable of the right hon. Gentleman to say what he did about the health service in Wales, given that the National Assembly is cutting health expenditure in Wales while those cuts are not happening in England? My constituents are very aware that the Betsi Cadwaladr health trust is facing serious financial difficulties, not as a result of changes in Westminster but as a direct consequence of choices made by the Labour Government in Cardiff.

Mr Hain: Labour's Government in Wales are not adopting a back-door privatisation plan for the health service in Wales, thank goodness—unlike what is happening in England. In addition, did the hon. Gentleman not see the important report in the media recently that leading health officials and clinicians are now stating conclusively that the health service in England is being cut as a result of his Government's policies? All services in Wales are having to be reduced—of course they are—but why does he think that is happening? It is a result of the programme of cuts by the Government whom he supports.

Of course our Labour Government in the Welsh Assembly cannot insulate Wales from this Government's damaging policies. But they can show that, for schools, for hospitals, and for jobs and skills, even in the toughest of times, there is and always will be an alternative to this right-wing Westminster agenda. It was wrong to say that there was no alternative to Margaret Thatcher's destructive policies in the 1980s. That was paid for by hundreds of thousands of people across Wales in lost jobs, futures and, yes, even lives as that Government systematically undermined the national health service.

In Wales, thanks to devolution, we can protect ourselves just a little from the consequences of Tory-Liberalism. It is not full protection—it never could be—but it makes a real difference, a Labour difference, because the people of Wales voted for the only party committed to standing up for Wales: the Labour party. Wales is an example to the rest of the United Kingdom of devolution working as it should do. We have in Wales a new devolution generation led by Carwyn Jones. That new generation are not devo-sceptics or nationalists, but devo-realists who are at ease with devolution and who recognise the benefits of empowering people.

The strength of Welsh devolution is a testament to Labour's achievements in office. We should not forget that the Prime Minister and the Secretary of State tried to prevent it from happening. They both stood on an anti-devolution platform as Tory party candidates in 1997. They both voted against the Government of Wales Act 2006, which I brought in as Secretary of State, and which delivered the full law-making powers now enjoyed by the Assembly. Now, in 2011, we will not allow them to use the Silk commission to diminish the devolution project, or to cut Wales adrift to appease the little Englanders on their own Benches. We will give the Silk commission a cautious welcome, but we are suspicious of the Government's motives, as are the more than 130,000 people in Wales who are now out of work, and who are desperate for the Secretary of State to focus on jobs and growth, not on contriving devices to abandon her responsibilities in Wales.

For us, devolution has always been a means to an end. Labour has never fought elections solely on the issue of constitutional change. That would be a diversion from the real task, which at this moment requires above all taking a stand on the side of the people in the face of the most reactionary Government since the 1920s. Our vision for Wales does not involve a defence of the status quo. Our stance is one of modernisation and progress, even as we face the most difficult of policies inflicted on us by this Government. We urge the Silk commission to join us in standing up for Wales, and not to be seduced by this Government's real agenda of hiving off their obligations to Wales.

2.25 pm

David T. C. Davies (Monmouth) (Con): It is always a pleasure to be here on a Thursday discussing Wales. Unlike some Members, I shall not be offering a welcome, cautious or otherwise, to the Silk commission. I have no doubts about the motives or the knowledge of any of those taking part in it, some of whom are well known to me, but I feel that we could save ourselves a lot of time and money by doing away with the commission and getting on with what we all know is going to happen. We know that the commission is going to spend until the summer of 2012 looking into the granting of fiscal powers to the Welsh Assembly. I suspect that all sorts of things will appear in the newspapers and on BBC Wales, and that there will be a debate or two. The usual faces of the great and the good in Wales will be wheeled out in support of all of this, and there will be public meetings on wet weekday evenings in various parts of Wales, to which a small representative sample of the public who all like the idea of giving further powers to the Assembly will turn up. At the end of it all, we will be told that the vast majority of people who responded were in favour of giving further powers to the Assembly, and those further powers will be given. Then phase 2 will begin, in which, I see from the report, we will consider "varying" the powers of the Assembly. Well, we all know what that actually means. It means increasing the powers.

Hywel Williams: The hon. Gentleman seems to be taking a rather "conspiratorial" view of these developments in Welsh politics. Does he think that the referendum, too, was a conspiracy?

David T. C. Davies: It is not a conspiratorial view; it is a view based on the history of what has been going on. We seem to be locked in a kind of constitutional groundhog day, with the same sequence of political events repeating itself over and over again. The process starts with the Welsh Assembly being granted a whole load of powers and saying, "That's it, we've got all the tools we need for our toolkit." That seems to be the popular term at the moment. "We've got everything we need now. We're just going to get on with the job." Then, a few years—or, in this case, a few months—later, it says, "Well, actually, we can't do the job we need to do. We just need a few extra powers." Then a commission of the great and the good is set up, often with the same people appearing

[David T. C. Davies]

time and again. They go off and consider the matter, public meetings are held, and they come back and say, "Yes, we need a bit more." Perhaps a referendum is held, or perhaps there is just another Act of Parliament or some statutory instrument. The Assembly gets what it is given and everything goes quiet for a few months. Then the whole thing starts up again. We are in the first phase of the cycle at the moment. This is not a conspiracy; it is just how things have been happening in Wales since about 1999.

I would be delighted if we really were going to consider varying the powers of the Welsh Assembly, because I assume that varying can cut both ways. It could mean that, rather than just handing the Assembly new powers, we could look at taking a few powers away from it, once in a while. I suggested that in a Westminster Hall debate a few years ago, when Wales was doing particularly badly on the health service, but it did not seem to meet with much approval from anyone—certainly not anyone in my political party. The very fact that it had been suggested was a source of outrage to many.

The Welsh Assembly can take powers away from local authorities that are failing in Wales and, quite rightly, it has used them from time to time, so I see no reason why the Silk commission should not look realistically at the possibility of removing powers from the Welsh Assembly in devolved areas if standards have clearly dropped below those that all in the United Kingdom are entitled to expect.

Another area that I suspect the Silk commission will not look into—the right hon. Member for Neath (Mr Hain) mentioned it—is environmental taxes. To my mind, that would be very interesting indeed. As the right hon. Gentleman rightly said, Tata and other manufacturing companies in Wales that use large amounts of electricity are very angry about the way in which the environment has been used as a means to impose all sorts of extra tax burdens. The issue of the environment is worth exploring, but now is not the time or place—[Hon. Members: "Come on."] It is very tempting, but I see Mr Deputy Speaker imperceptibly shaking his head at me. It is not for me to pose the question of why the temperature has not got any hotter since 1998, despite the fact that large amounts of carbon dioxide have gone into the atmosphere. That is not a question for today, but it is a very interesting one none the less—and I have never heard a satisfactory answer to it.

Let me move on to a more important question. If we accept that things will at some point start getting hotter because of carbon dioxide, requiring us to put all sorts of taxes on our industries, and if Welsh industries such as steel are affected, surely it is only right that those taxes be applied not just across the whole of the European Union or Europe but across the whole world. If we do not insist on that as a starting point, all that will happen is that those manufacturing industries—so important to us in Wales for jobs—will simply relocate to other parts of the world where those taxes are not being applied. It will not make a jot of difference to global carbon emissions, which will continue to come from wherever those factories relocate, but it will make a difference to jobs and the amount of tax that the Treasury collects within the UK. I would love to see the Silk commission looking into that idea, but I am afraid that I shall probably be disappointed.

You might conclude, Mr Deputy Speaker, from what I am saying that I am in some way against devolution—[Hon. Members: "No, never!"] I am not. I am devo-realist. I was against the idea of a Welsh Assembly and I have voted no at every opportunity ever since, but I say genuinely that I have a very high opinion of the abilities of the individual Members of the Welsh Assembly. I had the pleasure of working with them for eight years. I do not doubt their motives. I do not doubt the credibility of people like Rhodri Morgan, Dafydd Elis-Thomas or Nick Bourne, even though I might disagree with them on many fundamental issues.

My problem with what we are doing is very simple. The West Lothian question is the elephant in the room here. Every time we give further powers to the Welsh Assembly, we are weakening the United Kingdom. I believe that even some Labour Members, in their quieter and more reflective moments, share some of these concerns. Surely the priority for us constitutionally should not be thinking about granting further powers to the Welsh Assembly, but ensuring that all citizens of the UK have the same constitutional powers. The issue is about addressing the fact that we here in the Westminster Parliament vote on how the English run their schools, discuss how the English run their hospitals, yet we do not accept the right of anyone, including Members of Parliament, to have any say in how these issues are dealt with in Wales.

Jonathan Edwards: May I take it from the hon. Gentleman's comments that he is arguing for a fully federal United Kingdom, whereby all the historic nations of the UK are treated on an equal basis?

David T. C. Davies: The hon. Gentleman is right. I have made that view public in the past. I think there is a strong case for looking at some form of English Parliament or some means to prevent Welsh and Scottish MPs from voting on matters that affect only England. I repeat that I have already made that viewpoint public. I do not pretend to know the exact answer, but I am in favour of something along those lines. It might well be that at that point, we would have to consider increasing the powers of the Welsh Assembly in line with those of the other parts of the United Kingdom. The hon. Gentleman will know, however, that that is something that happens in many countries across the world—in Canada, Germany and countries with a Commonwealth tradition such as Australia, for example. If that is thought through properly, it can work. My current difficulty is with the asymmetric nature of our arrangements. Giving further powers to Wales in this way—through the Silk commission if that is what it decides—is going to make them even more asymmetric.

Mark Tami (Alyn and Deeside) (Lab): Would the hon. Gentleman not accept that in a border area such as mine, people go across the border to use hospitals, for example, so it is quite reasonable for me to be concerned about what is happening to the health service in England, because many people in my area use it?

David T. C. Davies: Of course I agree with the hon. Gentleman. I live on the border as well. Many of my constituents go across the border, but what right do he

and I have to tell the English how to run their health service if we are not prepared to accept that English MPs whose constituents might come over into Wales should also have a voice over what happens within the Welsh health service?

Mrs Gillan: No doubt my hon. Friend will therefore give a warm welcome to the statement made on 8 September by the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Forest of Dean (Mr Harper), the Minister responsible for political and constitutional reform, announcing our intention of establishing a commission to look into the West Lothian question. I understand that in the not too distant future there will be further statements on the subject, which will of course address the important questions that my hon. Friend is raising today.

David T. C. Davies: I do indeed welcome that statement, and I look forward to participating, but I hope that we do not end up putting the cart before the horse. I hope that we do not all go off in different directions, rather than getting things done in an orderly fashion. The constitution is a very delicate thing, and it needs to be balanced.

Mr Hain: I agree with the hon. Gentleman that the constitution is delicate and needs to be balanced, but is not the answer to his question—the answer to the English question, if you like—that we should remedy the asymmetrical nature of devolution in the United Kingdom by devolving powers to the English regions, not just to the London region, which already has considerable powers? *[Interruption.]* The Secretary of State mutters from a sedentary position that that has been rejected, and I accept that it was rejected under our Government in the north-east referendum, but I felt at the time that that was a very low-grade form of devolution. One of the things that people told me on the doorsteps in such places as Middlesbrough and Tyneside was that they did not believe in another form of regional government if it did not involve any real powers. If it did involve real powers, however, that would be the answer to the hon. Gentleman's question.

David T. C. Davies: I suspect that there may be something in what the right hon. Gentleman says. The referendum on powers in the north-east took place quite early in the process, and there is now a much wider understanding of the implications of devolution throughout the United Kingdom. Nevertheless, there is still a problem.

We devolved powers to Wales, Scotland and Northern Ireland on the basis of their historical roles as nations within the United Kingdom. I do not see how we can just come along and artificially create nations within England where nations have not previously existed. I also suspect that this is not a debate that any of us here should be having. It must ultimately be for English MPs to decide for themselves whether they are content to remain representatives in England or would prefer to be representatives in the regions thereof. Let us not forget that there are 6 million people in Scotland, 3 million in Wales and 1.5 million in Northern Ireland. We have not so far devolved powers on the basis of the numbers of people in the countries concerned, and we therefore have no real right to say that because there are 50 million or 55 million people in England, they do not have the right to have a Parliament based on their own historic nation.

Mr David: Does the hon. Gentleman not accept that until now the primary motivation for devolution has been not a recognition of nationhood, but the need to enhance democracy? That is what devolution is ultimately all about. It is not about placating nationalism; it is about enhancing democracy.

David T. C. Davies: There have been several motives for devolution. Nationalists saw it as a stepping stone towards independence—I imagine that they would be fairly honest about that—while others, some of whom are now on the Opposition Benches, were afraid of nationalism, and saw devolution as a way of preventing the nationalist genie from getting out of the bottle. I think that they were mistaken. I fear that some may have taken the narrow political view that Wales would always be dominated by Labour whereas Britain would not necessarily be, and that therefore it would not be a bad idea to carve out little corners of the United Kingdom where Labour could always have an inbuilt majority and a left-wing Government could rule. I dread to think that that is the case, but, being a bit cynical, I suspect that there may be some grounds for believing that it is.

Owen Smith: The hon. Gentleman is, as usual, being generous in giving way. Does he agree that a further crucial aspect of the rationale for devolution in Wales and Scotland was demand, and that that may have been a greater consideration than nationhood? Does he also recognise that, because of a feeling that—for reasons related to distance and divergence in economic performance—people are getting worse deals from the Government in some parts of England than in others, such as the south-east, there may well be a growing demand in some areas for a fresh look at the possibility of English regional devolution?

David T. C. Davies: The answer to the hon. Gentleman's first question is that despite the enormous amount of money spent on the referendum in 1999, only one in four people went out and voted yes, so the demand could not have been that great. As for his second question about the issues that are bubbling away in the various regions of England, I do not profess to know the answer, and I certainly will not be trying to pose that question. As I said to the right hon. Member for Neath (Mr Hain), the English will have to work out for themselves whether they wish to base a future settlement on England itself or on regions thereof. It is not for us to tell them what to do.

Huw Irranca-Davies: It would be wrong for English MPs alone to discuss, and decide on, such matters. As a UK parliamentarian, I agree that English devolution is the great unanswered question. However, Welsh MPs—along with Scottish and Northern Ireland MPs—will want to have a say in that because it will have a considerable impact on the UK as a whole. I ask the hon. Gentleman to consider this point in his peroration, because we would not want non-England MPs to be shut out from the debate on English devolution. Nor would I want

[Huw Irranca-Davies]

England MPs to be shut out from our debate here today, and it is great that some England MPs are present.

David T. C. Davies: That is a sensible point, but my peroration has become more of a conversation now, and I wish to return to it. I shall think about what the hon. Gentleman has said, however, and I suspect that all of us will want to contribute in various and different ways if and when the England question arises.

The Silk commission is addressing fiscal powers. The leader of Plaid Cymru—I think he is still the leader—said that that could have an historic effect on Wales, by which I assume he means that it will lead to all sorts of extra powers being acquired and Wales heading much further along the road that he wishes to travel down. I am very concerned about the prospect of giving fiscal powers to Wales, however. It is hard to see how we could maintain the integration of the various parts of the United Kingdom if we were all doing different things fiscally. The Silk commission has apparently ruled out borrowing, but I have been told by those in a position to know that it has ruled out only some kinds of borrowing, and anything can be examined. There are certainly ongoing discussions about different kinds of borrowing.

Mrs Gillan: The Silk commission can look at future borrowing, whereas current borrowing is at present the subject of bilateral discussions between the Treasury and the Welsh Government. The Silk commission can look at future borrowing.

David T. C. Davies: I thank my right hon. Friend for that clarification, but what she says will not help me sleep any more easily tonight.

Before this debate started, an urgent question was asked on the Floor of the House about what has been going on in the eurozone area. That is, in fact, fairly simple to understand. There is a central bank and a currency area with all sorts of individual parts within it—we call them nation states still, although Brussels will probably want to change that in a few years—and those individual parts have all been doing their own thing. The Greeks have been borrowing as much as they wanted, and have been spending it on allowing their civil servants to retire at 50 and on buying off strikes. In short, they have been spending it on doing things we would never even consider doing—filling people's mouths with gold, as Nye Bevan would have put it. As a result, there is now an enormous crisis across the whole area because the taxpayers of Germany are simply not prepared to bail out nations that have been behaving in an irresponsible fashion.

Yet we in the United Kingdom, having escaped the economic servitude of the euro—which many Opposition Members would have liked to put us into—now seem to want to create a situation whereby exactly the same thing could happen on a smaller scale. We have a central bank and Government responsible for interest rates and general financial policy, but there is now a proposal that the constituent parts of the United Kingdom—specifically, in this instance, Wales—should be free to go off and borrow at low interest rates, knowing that ultimately somebody else could pick up the bill.

Jonathan Edwards: Does the hon. Gentleman not recognise that currently local authorities in Wales can borrow and raise their own revenue, so what is the difference?

David T. C. Davies: They can only do so under fairly strict terms of engagement. There is no major difference, but what I am saying is that I do not want any more bodies to be able to do that. I certainly would not welcome the idea of the Assembly doing what Westminster Governments have done before—let us be honest about it—which is wait until a general election is coming along and then suddenly borrow billions of pounds on the international markets knowing that not many people understand the difference between debt and deficit, and are therefore unlikely to be able to work out the probable consequences of what is happening. Governments buy themselves elections in that way. I do not want to put that temptation in front of Members of the Welsh Assembly.

Finally, I am even more concerned about the idea of a separate judicial system for Wales. That would be costly and complex.

Geraint Davies: Before the hon. Gentleman leaves the subject of taxation, on the important issue of inward investment and growth, which various speakers have focused on, does he agree that what business needs to provide inward investment is certainty? If there can be changes in corporation tax, income tax and all sorts of other tax, that will put companies off investing in Wales. The only tax that people want to get rid of is the tax that everybody is charged when they cross the Severn bridge—the Severn bridge toll. That is a real barrier to inward investment and trade. We should get rid of that and forget the rest.

David T. C. Davies: The hon. Gentleman knows perfectly well that getting rid of the Severn bridge toll is impossible, because he and I helped to write the report. It is not a matter of law, but a matter of a commercial contract between four companies that came together to build the bridge under certain agreements. There is nothing that we can do about it. Of course the Welsh Assembly, or even the UK Government, could decide to take on the costs of the Severn bridge if they wanted to. However, the hon. Gentleman knows very well that the Government do not have any money at the moment. We have a £1 trillion debt, most of which we inherited from his colleagues in the previous Government, and we are overspending by £168 billion every year. We are not really in a position suddenly to take on the burden of the Severn crossing.

I do praise the hon. Gentleman, however, because he has said something with which I entirely agree: business needs certainty. Businesses are already annoyed that they have to pay the cost of coming over the Severn bridge. The last thing they want is the potential for a load of extra taxes when they come into Wales, and a lack of certainty over whether those taxes may be applied at a later date if they decide to relocate there. To my mind, that is a very good argument for not devolving the power over such taxes to the Welsh Assembly.

I will finish on my point about the judicial system. The last person to toy around with the judicial arrangements in Wales was Henry VIII. He formed a judicial area for Wales, but people in Monmouthshire were so incensed that they decided to opt out of it and in to the Oxford

assizes. That caused confusion all the way through to the local government reorganisation of 1974. Various people passed legislation, and some of it applied to Wales, some to Monmouthshire and some did not apply anywhere. Nobody knew what they were doing. People were driving to Chepstow to get a drink in the pub because the chapels had banned it, or something. It was absolute chaos. The last thing we want is a repeat of that. I say to all Members of the House that Monmouth is an integral part of Wales, Wales is an integral part of the United Kingdom, and for as long as I represent this constituency, long may that remain the case.

2.47 pm

Paul Murphy (Torfaen) (Lab): It is always interesting and a pleasure to follow the hon. Member for Monmouth (David T. C. Davies). I am not a great fan of Henry VIII, for obvious reasons. I agreed with some parts of the hon. Gentleman's speech and disagreed with others. The thrust of his argument, I think, was that he was not keen on the Silk commission and its activities. I remind him that it was the Secretary of State for Wales who took the responsibility to initiate the commission, as she told us today. Government Members really have to get their act together on what they do and do not want.

I welcome the commission and I certainly welcome its members. I have known Paul Silk for at least a quarter of a century. I know all the other members in one capacity or another. I think that they are excellent people who will doubtless do a very good job. It would have been better, however, if the House of Commons had debated this issue before the commission's terms of reference had been agreed, so that Members, including me, had the opportunity to contribute the ideas that are put before the House this afternoon.

I warn this House, my colleagues in the National Assembly and, I suppose, the members of the Silk commission that I, like the hon. Member for Monmouth, have some misgivings, warnings and suspicions about what lies behind this initiative. As with the Bible, people have different interpretations. Wars have been fought on interpretations of the Bible, but in this case people have different ideas as to what the Silk commission should or should not do, or as to why it should do it in the first place.

The first point to make is that the Secretary of State mentioned "consensus" at least six times. My right hon. Friend the shadow Secretary of State referred to the fact that there has been no consensus on constitutional issues in this House of Commons since the coalition Government took over. So I find it strange that we are now going to have consensus on this commission, given that we did not have consensus on the most important constitutional development that Wales has seen for generations: the 25% reduction in the number of our Members of Parliament. That is what I am concerned about. How can we accept that the Secretary of State or the Government are serious about consensus given not only that they did not give us time to debate that matter in the Welsh Grand Committee, as she knows we should have done, but when various debates were held in the other place, any sort of so-called consensus fell to bits and the decision was made anyway? Why should we, at this stage, believe that there is consensus on the Silk commission?

Alun Cairns: The right hon. Gentleman makes an extremely important point about consensus and it is a strong message that needs to go to the Silk commission, but is not the original root of all these inconsistencies that we now face the lack of consensus in 1997, when Labour let the genie out of the bottle and we started on the devolution road? I am mixing my metaphors, but I hope that I have made the point.

Paul Murphy: The hon. Gentleman knows that historically I was opposed to devolution—I changed my mind as the years went by—but we had to accept what the people of Wales decided. In 1997, they decided on devolution, albeit by a small majority—we must remember that the Conservative party did not get a majority of Members of Parliament, but we still have a Conservative-led Government—and in the referendum held earlier this year the overwhelming view of people in Wales was that there should be extra powers. It was the people who decided what they wanted in the end, and I agreed with them this time.

I repeat that we do not want to hear about consensus, given that that was abandoned by this Government when they introduced the Bill to reduce the number of our Members of Parliament. For the first time since 1832 we will have fewer than 40 Members of Parliament representing Wales in this House. I am not arguing about the nature of equal constituencies—that is for another debate—but I am saying that the reduction from 40 to 30 in the number of Welsh MPs reduces the influence of Wales within the United Kingdom. I will address that in a few moments' time.

Part I of the commission's remit is to deal with money: the financial responsibilities and the remit of the Welsh Assembly. We are told that this is all about accountability, but the hon. Member for Vale of Glamorgan (Alun Cairns) just referred to the devolution settlement of 1997. Such a settlement also took place in Scotland and later in Northern Ireland, where I played a part. In all those settlements that issue of financial accountability was raised, and it was argued by some, "If a parish or community council can raise revenue, why cannot a Government in Edinburgh, Belfast or Cardiff do so?"

When I chaired the talks in Northern Ireland on whether there should be income tax powers in Northern Ireland, the meeting lasted less than an hour. People in Scotland decided that they would have the possibility of tax-varying powers, but those have never been used. We in Wales rejected this from the beginning, and there was a reason for that: the resource base of Wales is much lower than that of Scotland—the resource base of Northern Ireland is even lower than that of Wales—and therefore the amount of money that could be raised by income tax in Wales or Northern Ireland, and, to a certain extent, in Scotland, is infinitesimally smaller than the amount that could be raised in England. This proposal was therefore abandoned.

The idea of how we finance our devolved Administrations, therefore, came down to the idea of the block grant. That system is not unique. The hon. Member for Monmouth (David T. C. Davies) referred to asymmetrical devolution, and that is what occurs in Spain, except that there they have devolution everywhere. They get their money through a system of distribution of block grants and, as my right hon. Friend the Member

[Paul Murphy]

for Neath (Mr Hain) said, they are able to ensure that there is proper distribution of money so that poorer areas are helped by richer areas such as Catalonia.

Hywel Williams: There is of course the exception in Spain of the Basque country. I am not arguing for us to adopt that model, under which the Basque country is taxed and money is sent down to Madrid, rather than the other way around.

Paul Murphy: Yes; I am talking in general terms and that may well be an exception. A block grant, based on need, going to various parts of the devolved administration is the system that was decided on. That is why we have to be very careful; we tinker with this at our peril.

An issue on which the Secretary of State and I had an exchange back in May was about whether, were there ever to be income tax-raising or varying powers in Wales, we should have a referendum to approve that. She stated in her answer to me:

> "He is quite right that giving tax-raising powers would involve another referendum".—[*Official Report*, 11 May 2011; Vol. 527, c. 1148.]

It would not be constitutionally right or proper for there to be tax-raising or tax-varying powers in Wales, so far as income tax is concerned, without the people's saying so.

Roger Williams: I do not think it has ever been suggested that the block grant should be replaced entirely by tax-raising powers. Most systems rely on a hybrid system, as with local government systems, in which there is a block grant as well as tax-raising powers.

Paul Murphy: I think that if the National Assembly for Wales ever had any tax-raising powers, the system would involve such hybridity. However, I say to the hon. Gentleman that there is a concern, which I suspect is shared by people in Northern Ireland, although the comparison between Northern Ireland and Wales can go only so far because there is a land border between Northern Ireland and another sovereign state on the island of Ireland and, obviously, we have no such border. It is suggested that if a corporation tax were introduced in Northern Ireland, although some interesting benefits could result from it, the block grant would be reduced correspondingly. If that is what is happening in Northern Ireland I would say to the Silk commissioners to beware, because the same could happen in Wales. We might be told, "You can have this tax or that tax, but we'll cut your block grant," and that will address the accountability gap that has been referred to. That would be dangerous because it would mean that what we are entitled to through the United Kingdom taxation system would be reduced by even more than is the case at the moment.

In recent months, other Members of Parliament have said in the House of Commons, including, doubtless, in this debate, "Wales, Scotland and Northern Ireland do much better than we do in the English regions. Look at the Barnett system that they have had for all these years. Look what they can do in Scotland—they can change student fees and pay to have their old people in homes and all the rest of it." But those people forget that those countries might not do other things in the way that England does. That is what devolution is all about.

The thrust of that argument is that we in Wales are somehow or other getting more money than any other part of the United Kingdom. That is the case for some parts of the UK, but an interesting fact was referred to by the Holtham commission and in the House of Commons note in relation to the Oxford Economics report, which my hon. Friend the Member for Swansea West (Geraint Davies) mentioned. If we say how much money goes to Wales from central Government and how much money is raised in Wales, of course there will be a deficit. In Wales, the deficit between the money raised and the money going in is £14.6 billion. Some might say that that is a great deal of money, but in the south-west, across the Bristol channel from us, the deficit is £15.6 billion. In the west midlands, across the border from Powys, it is £16 billion, whereas in Yorkshire and Humberside it is £16.9 billion and in the north-west of England it is £23.9 billion. Let no one in this House, or anywhere else, tell us that somehow or other we are getting some sort of better deal in Wales than the English regions. It simply is not true.

There are two other issues on finance including, first, the Barnett formula, on which my right hon. Friend the Member for Neath touched. I cannot for the life of me understand why it is impossible for the Silk commission to consider the Holtham commission and, indeed, what happens to Barnett as part of its remit. I am not suggesting that it should hold up discussions between the Secretary of State, the National Assembly for Wales and the Welsh Government, but to say that a commission that is dealing with the Assembly's financial responsibilities cannot look at how the block grant is dealt with is daft.

Roger Williams: I agree, but it has been suggested that such an approach would not be welcomed by the Welsh Assembly Government.

Paul Murphy: That is for the two Governments to discuss. In the House of Commons, we are debating what it is sensible for the Silk commission to consider. I said that I did not want that to hold up any discussions that are under way, because there are implications for Scotland and Northern Ireland, but it is crazy that that cannot be discussed while all the other issues affecting money are being discussed.

I cannot understand from the response of the Secretary of State to the hon. Member for Monmouth the difference between current and future borrowing. Either one agrees with the concept of the Welsh Government being able to borrow, or one does not. The Northern Ireland Executive and the Scottish Government will be able to borrow, and local government can borrow, so why on earth can the Welsh Government not borrow? It is quite incongruous that that is the case, and I am glad at least that they can discuss borrowing, even if they cannot discuss borrowing at the moment.

Part II of the terms of reference is about powers and functions, and I agree that there is a case for looking at incongruous and difficult cross-border issues, which need to be tidied up. Most Members of the House of Commons would be wary of transferring policing and justice to the Welsh Assembly. We have a different system from Scotland, and we are so bound up with the English judicial and legal system that I would not agree

with such a transfer. Another issue that will not be discussed at all by the commission—this is why it would have been useful for the House of Commons to discuss its terms of reference before we had the debate—is the way in which the Assembly is voted in. If there is going to be a reduction in the number of constituencies, presumably to 30, with a relationship between Parliament and the National Assembly, which is voted on, it is unusual that that issue should not be debated or discussed by the Silk commission, particularly as any decision on how we elect the Welsh Assembly should be based on a proper mandate at a general election. I hope that the Secretary of State and her Government will not even contemplate discussing those matters until after the next election.

Nick Smith (Blaenau Gwent) (Lab): I am interested in my right hon. Friend's point about constituencies and coterminosity. Wherever possible, Assembly constituencies should align closely with boroughs and parliamentary constituencies, because that leads to better government, better democracy and better services.

Paul Murphy: But the Parliamentary Voting System and Constituencies Bill had nothing to do with better democracy and everything to do with partisanship. The Government were so stubborn in the other place in refusing 10% flexibility that taking local government boundaries into account is hardly possible because of the rigidity that has been introduced in the system. If there had been consensus, that might have been considered, but there was no such consensus.

Finally, we have to be careful that the proposals are not based on a hidden agenda from the Government—what I call the Trojan horse. The hon. Member for Monmouth referred to the West Lothian question, and the Silk commission's hiving off financial responsibility to the Welsh Assembly, and perhaps—we do not know for sure—taking away the block grant is part of the agenda of the new Conservative party. It used to be the Conservative and Unionist party, but it has long since ceased to be Unionist.

The West Lothian question means that the Government want to have two classes of Members of Parliament, not British-United Kingdom Members of Parliament who speak on everything because we have been elected by our electors to talk about the United Kingdom—every part of it: Northern Ireland, Scotland, Wales and England. I referred to the complaints time and again that we are getting too much money in Wales and Scotland. Perhaps the most obvious thing is that out of 117 Members of Parliament representing constituencies in Wales, Scotland and Northern Ireland, only nine come from the Conservative party. It will probably be wiped out at the next general election in Scotland and who knows where else. The combination of all those things, to me, means that the Conservative party has now become a party of little England. I am sure the hon. Member for Monmouth, who represents a Welsh constituency, would agree.

David T. C. Davies: Does the right hon. Gentleman share my concern, then, about colleagues in his own party who refuse to appear before the Welsh Affairs Committee to discuss devolved issues? Does he not think that that smacks of a little Wales mentality?

Paul Murphy: No, I do not. I accept, though, that there are people in my own party who may agree with some of the things that I think the Conservative party is guilty of—that is, not being awfully worried if Scotland and Wales left the Union. I have been thinking that for over a year now.

The *New Statesman* published a very good editorial last week, which finished with this:

> "For the Tory right, an independent England—economically liberal, fiscally conservative, Eurosceptic, Atlanticist—is an attractive prospect. The United Kingdom, one of the most successful multiracial, multi-faith, multinational states the world has ever known, remains a cause worth fighting for. Yet, over the past weeks, fixated by the EU, the Conservative and Unionist Party seemed less aware of this than ever."

The Trojan horse is not Welsh nationalism, but the English nationalism of the Conservative and former Unionist party.

Mrs Gillan: I am enjoying the right hon. Gentleman's contribution and I know that his words will be passed on to the Silk commission. I assure him that I remain a firm Unionist, not the sort of Tory that he describes.

On a point of information for him on the borrowing powers, the Welsh Government have the ability to borrow under the powers that they inherited from the Welsh Development Agency. The bilateral talks on those borrowing powers are about how that borrowing could be used more effectively. What the Silk commission has been entrusted with is examining new borrowing powers in the context of the package of tax and borrowing powers. I hope that that clarifies the position on borrowing, which I know has been the subject of some speculation.

Paul Murphy: Indeed; I am grateful to the right hon. Lady for telling the House that. In a sense, it confirms my view that there is confusion about what is happening with regard to Barnett and to borrowing. There appear to be simultaneous discussions on borrowing and on what happens to Barnett on the one hand, and the Silk Commission on the other, whose job it is to look at financial responsibility as well. I am saying, "Don't stop the talks." It is obvious that Governments have to talk to each other, particularly as we live in difficult times, but I am also saying—she has clarified the position with regard to borrowing—that it is important for that to be part of the Silk commission's remit.

Although I welcome the Silk commission, I warn the people of Wales that the position is not as simple as it might seem on the surface. I believe that the Secretary of State is generally in favour of the Union, but—judging by the actions that have been taken in the House of Commons over the past year or so—I do not believe that that is true of much of the rest of her party. Those of us who are genuinely in favour of the Union want the Silk commission to be about helping the people of Wales ultimately to have a better deal from the United Kingdom.

3.8 pm

Roger Williams (Brecon and Radnorshire) (LD): It is always a privilege and a challenge to follow the right hon. Member for Torfaen (Paul Murphy). He put forward some considered and powerful arguments that I am sure the commission will read and take into account when they set out their programme for the work that they have to undertake.

As we look forward to Armistice day and remember the men and women who have made a sacrifice for this nation, we also remember the Welsh men and women

[Roger Williams]

who are currently serving in the British Army. Just today I had an e-mail from Brigadier Russ Wardle, who recently finished his tour of duty as brigadier of 160 (Wales) Brigade in Brecon. He told me that 40 servicemen are still in Baghdad performing important roles, training the Iraqi army and police in the duties they will take up shortly. I will meet the new brigadier, Brigadier Napier, shortly. I am so pleased the 160 (Wales) Brigade will stay in Wales, contrary to speculation just before the Welsh Assembly election.

I thank the Secretary of State for securing this important debate, which has already proved its worth. It is a great day for Wales. It is fantastic that there is cross-party consensus on the commission's terms of reference to take a considered view on the funding and future of the Welsh Assembly. Liberal Democrats have consistently supported a commission to look at the funding arrangements between Westminster and Cardiff, and it is to the credit of the coalition Government that the Silk commission will go ahead after 13 years of Labour inaction on this crucial issue. Notably, the three promises on Wales made in the coalition agreement—the housing LCO, the further powers referendum and the commission—have now been met, and I commend the right hon. Lady for that. With good Conservative support, Liberal Democrat policies are helping the people of Wales.

Paul Murphy: The hon. Gentleman refers, rather provocatively for him, to Labour inaction and the fact that great events have taken place, but does he accept that it was a Labour Government who brought in devolution in the first place?

Roger Williams: I absolutely accept that and am sure that he would accept that Labour had the full support of the Liberal Democrats, including those in Wales. Indeed, my predecessor, Richard Livsey—sadly, deceased—played an important part in that and, I am sure, would have liked to play a part in the Silk commission, too.

That is not to say that the Secretary of State's work is over; many other things need to be done for Wales, including nurturing and supporting the devolution settlement. I look forward to working closely with her in the near future.

Mr Mark Williams (Ceredigion) (LD): Does my hon. Friend take some assurance, as I do, from the Secretary of State's words on timetables? When questioned by the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards), she set out a range of timetabling scenarios, which was a relief to many of us. There is a hope and expectation that that can be achieved before the general election, but the fact that there is a timetable reassures those of us who were concerned about this being shoved into the long grass or into a cul-de-sac. The Government have proposed that as a real commitment.

Roger Williams: I thank my hon. Friend for his intervention, which brings me to a point I had intended to make later. The present coalition agreement sets out the programme for the first half of this Parliament. Work now needs to be set in hand to take forward the coalition for the second half, which will obviously include proposals for Wales. When Wales said yes to having a Welsh Assembly in 1997, the devolution package was missing one critical element. The Welsh Government have the luxury of spending money handed out by others, but unlike those in Scotland and Northern Ireland they have no power to borrow or raise money; as has been suggested, they have fewer powers than local authorities. I believe that the lack of accountability has led to some irresponsibility in the Welsh Government's spending of money. Indeed, when the Chief Secretary to the Treasury visited Wales in April he said that the commission

"will aim to develop the financial autonomy of the Welsh Government to give Wales more opportunity to create the right environment for encouraging growth"

and jobs. I thank him for his support. As a Scottish MP, he brought knowledge of the Calman commission to the proposals, whose usefulness should not be underestimated. Welsh Liberal Democrats will engage fully and constructively in this process. We will urge the commission to bring more accountability and responsibility to the Welsh Government and to give Wales further power to drive forward economic development, creating jobs and prosperity in Wales.

Huw Irranca-Davies: I thank the hon. Gentleman for giving way in the midst already of several very good contributions, but will he clarify what he understands by "financial accountability"? We all understand it in broad terms, but will it be financial accountability with some additional tax-raising or tax-varying powers, or accountability from within a deficit that has been lopped off the block grant? Robbing Peter to pay Paul and then asking the Welsh Government to be accountable for money that the UK Government have taken away from them, and for which the Welsh Government are then able to raise taxes, does not seem like real accountability. I want to protect what is already in Wales, and if there is accountability let it be for additionality, not for something that has been taken away from Wales.

Roger Williams: I recognise the hon. Gentleman's first point, but not his second. We would all like to see local authorities raising more of their spending power locally so that they become more accountable, and I believe that the situation would be the same for the Welsh Assembly Government, although I do not see any reduction in the spending proposed for them. I may come on to that later, however.

I thank also the Deputy Prime Minister for his work in broadening the commission's terms of reference and composition. There were people who wanted a much smaller commission, of perhaps only three people and without political appointees, but I am glad that the consensus was for a much larger and broader one. The political appointees are a huge boost to the commission, and they bring vital political experience to its work.

I commend the choice of Paul Silk to chair the body. Paul has worked in this House, where he had a fine reputation, and in the Welsh Assembly, so he is perfectly placed to understand the workings of both. I cannot think of an individual who is better informed to carry out this important task, and I wish him well. I and my right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes) went to the same school at the same time as Paul, so I can vouch for his high academic attainment.

Dyfrig John brings to the table 35 years of experience in financial services, and his financial know-how will be invaluable to the commission. He and I were members of the Development Board for Rural Wales, along with the hon. Member for Montgomeryshire (Glyn Davies), who was chairman at the time, and Dyfrig was instrumental in maintaining a banking presence in Llandrindod Wells, which on its own would be enough to recommend him for the job.

Professor Noel Lloyd is a distinguished academic from Aberystwyth university, and before he became its highly regarded vice-chancellor he was a practising mathematician, so his ability to do sums means that Wales will not fall into the same trap as Ireland, which underestimated its reserves by €3 billion, or Germany, which did so by €50 billion.

Rob Humphreys, the Liberal Democrat representative, has long been a champion of devolution. He was heavily involved in Swansea's yes campaign in 1997; he served on the all Wales convention; and he was the Liberal Democrat representative on the yes campaign steering group in 2011. Rob's leadership of the Open university gives him a knowledge and understanding of young people and adults, and he will bring real expertise to the commission.

I also pay tribute to Nick Bourne, who served the people of mid-Wales very well during his time as an Assembly Member. His commitment to Wales, all things Welsh and, particularly, the Welsh assembly made him an example to all political leaders in Wales—and I look forward to his memoirs.

It is also great to have the ministerial experience of Sue Essex. She became the Minister for Finance, Local Government and Public Services following the 2003 election, so she has first-hand experience of the financial arrangements between Cardiff and Westminster.

Last, but certainly not least, there is Dr ap Gwilym, whose performance against Paxman showed his commitment to, knowledge of and passion for devolution. It is a dedicated and highly talented team with a range of expertise.

It was almost inevitable that we would talk about the Barnett formula, because it is an essential part of delivering a prosperous Wales. I am disappointed that it is not included in the Silk commission's remit, but I understand that the Welsh Assembly's Labour First Minister was not keen that it should be included.

I understand that bilateral discussions are taking place between London and Cardiff, and they will include not only the Secretary of State, but the Treasury.

Guto Bebb: I was surprised by the comments of the right hon. Member for Neath (Mr Hain) when he said that the Silk commission's lack of consideration of the Holtham report is an omission. I, too, have heard the First Minister state categorically that the Holtham report should be subject to bilateral discussion between the two Governments. Are we seeing a split in the Labour party's approach to the issue?

Roger Williams: I am sure that if there is a split, my hon. Friend will comment on it later in the debate.

I understand that bilateral discussions will take place, but I ask for more openness and transparency in that dialogue, because other people can play an important part in that work.

We can learn lessons from the Calman commission, which concluded that the devolution settlement had established a Parliament in Scotland that could be held to account for spending choices, but that lacked accountability in raising revenue. It proposed a reduction in block grant funding from the UK Government to Scotland in exchange for power for the Scottish Parliament to raise its own taxes. The Scotland Bill implements the recommendations and creates a Scottish rate of income tax. That will apply alongside existing UK-wide income tax.

In Scotland, the lower, higher and top rates of income tax will be reduced by 10p. The Scottish Parliament will then make a tax decision to levy an additional rate, which may match rates elsewhere in the UK, or be higher or lower. That will replace the Scottish Parliament's existing power to vary income tax in Scotland by 3p up or down. Such a change, implemented by a Liberal Democrat Secretary of State, gives Scotland more accountability for its spending, and can be only good for the country. I would be pleased if the Silk commission recommended something similar for Wales.

The Calman commission addressed the rebalancing of the boundaries between devolved and reserved policy matters. It recommended devolution of further powers, including administration of elections, licensing power in relation to misuse of drugs, power to set the drink-drive limit, and power to set the national speed limit. It recommended that some powers be retained by Westminster, including regulation of health professionals and corporate insolvency. Aggregates and air passenger duty are not being taken forward for various reasons.

Luckily, this debate includes hon. Members on both sides of the House with first-hand experience of the devolved Welsh Assembly. They include the hon. Members for Monmouth (David T. C. Davies) and for Clwyd West (Mr Jones) and the right hon. Member for Cardiff South and Penarth (Alun Michael). I look forward to their contributions, and have enjoyed some of those that have already been made. My hon. Friend the Member for Montgomeryshire (Glyn Davies) also has considerable knowledge of the matter, but because of his Government role, he will not be able to speak.

Although the new arrangement has been simplified since the referendum, a lot of relevant legislation is spread among many Acts of Parliament. The Government would provide a service if they introduced a consolidation Bill to simplify and make accessible those elements of law that have been devolved, or if there were a 180° turn so that legislation sets out matters that are reserved to Westminster, and all others are devolved, instead of having the present position of legislation setting out devolved matters, and everything else being reserved.

Mr Mark Williams: The hon. Gentleman makes an important point, because there is confusion among the general public about which areas are devolved and which are reserved, as my hon. Friend will know from his constituents, and as I know from mine. We have an important duty to get the message of devolution out there to the general public. Does he hope, as I do, that the Silk commission will also reflect on that?

Roger Williams: My hon. Friend makes an important point. Even politicians sometimes have a less than perfect grasp of which issues are reserved and which are devolved.

[Roger Williams]

More importantly, the legal profession finds it very expensive to maintain an up-to-date record, or database, of changes in legislation. If something could be done to simplify that, it would benefit not only the public but the legal profession and people who have to deal with the legislation.

With the commission due to publish in autumn 2012, that leaves two and half years for this Parliament to see the implementation of measures on the issues on which agreement can be achieved. Will the Minister ensure that the report on those issues is produced as quickly as possible?

This is a historic opportunity for Wales. Finally, 12 years after the Welsh Assembly was set up, we can give it the ability and financial responsibility to do that which it was set up to do. It is building a better Wales—a strong nation, firm within the United Kingdom, and active in the European Union and on the world stage.

3.26 pm

Mr Wayne David (Caerphilly) (Lab): I am long-standing supporter of devolution. I believe that it is fundamentally correct for decision making to be as close to the people as is practicable. I consider myself to be a proud Welshman, and British, and I am also an internationalist and a European. I see no contradiction between those various identities.

In practical terms, I strongly supported the work conducted by Gerry Holtham, whose report is seminal. In particular, I strongly endorse his recommendation of the introduction of a Barnett formula, and I am pleased that that was in the Labour party's manifesto at the last election. It would have been appropriate and sensible for it to be part of the wider consideration of fiscal issues. Nevertheless, that does not alter the fact that it is an important statement, and I look forward to its being acted on.

I welcome the establishment of the Silk commission. Like other hon. Members, I have enormous respect for Paul Silk, who has worked in the Assembly as well as in this institution. He is a long-standing occupant of the Welsh Room here in Westminster, and therefore, in some ways, follows in the footsteps of David Lloyd George. I also welcome the appointment of Sue Essex, whom I know personally and who has a profound understanding of finance and devolution. However, like my right hon. Friend the Member for Torfaen (Paul Murphy) and others, I have reservations about what might be the motivation behind some aspects of the establishment of this commission.

I think that the shadow Secretary of State, my right hon. Friend the Member for Neath (Mr Hain), has been very unfair on the Secretary of State for Wales.

Paul Murphy: Unfair?

Mr David: Yes, very unfair indeed. He asked how a Member from the south-east of England can have a proper understanding of the situation in Wales—but of course, as we all know, Chesham and Amersham is not in the south-east of England; it is in Buckinghamshire, which is a lot closer to Wales. However, I doubt whether that fundamentally alters the lack of understanding, let alone empathy, for the people of Wales on the part of our current Secretary of State. That is clearly shown in the way that the boundary changes that we are soon to see enacted were pushed through the House of Commons against the interests of democracy and without proper discussion in this House. Unfortunately, therefore, when the word "consensus" is used regarding constitutional matters, a question mark has to be put over whether that involves a genuine statement of intent.

I am concerned that the terms of reference are written in such a way that the work of the commission will be conducted within the parameters of the United Kingdom's fiscal objectives. We all know what those central Government objectives are—to make cuts, cuts, cuts, and nothing but austerity, austerity, austerity. It is important to realise that when we are talking about fiscal matters regarding Wales, we are talking about not increased resources but fewer resources. The question is how that reduction in resources will be introduced.

We all know that Wales is very dependent upon the block grant, which has been cut by 1.3% since the Conservative-Liberal Democrat coalition came to power. The big danger is that there will be bigger cuts before too long, which is why the context of the commission is very important.

Another of the commission's terms of reference is worth noting—the need to ensure consistency of fiscal powers within the UK. The hon. Member for Monmouth (David T. C. Davies) made the point that devolution, by definition, is asymmetrical, so why does consistency have to be a bedrock principle of the commission? We ought to recognise that whatever is proposed for Wales will be different from what happens in other parts of the UK, and so it should be.

My third and final reservation about the commission is the fact that Wales has historically been, and currently is, very dependent upon public expenditure. We all know that the Barnett formula and the block grant are important, but let us also recognise that there are other elements of public expenditure in Wales, which are often not recognised but are nevertheless crucial to its well-being.

One of the strengths of the United Kingdom is that, contrary to the nationalist interpretation of British history, Wales is not a subjected nation, under the heel of England. The reality is that there have been transfers of resources from the richer parts of the United Kingdom, particularly the south-east of England, to the poorer parts, and that is how it should be. That is the strength of the UK, and I would not like to see any measures adopted that placed a question mark over the integrity of the UK. Anything that did that would be not just a retrograde step for the concept of the United Kingdom, but potentially damaging to the people of Wales.

I mentioned Gerry Holtham, and we must recognise the importance of his in-depth analysis of the possibilities and options for the development of fiscal powers for Wales. In his introduction to that report, he stated:

> "To be sure, economic reality and the integrity of the UK impose constraints on what it is practical or advisable to devolve."

It is extremely important to bear that in mind, not least because he is an eminent economist but also because he is passionately committed to the principle of devolution. He is saying, in other words, that there is no point having devolution for devolution's sake. We have to take

a pragmatic approach of bringing power closer to the people, but we also need measures that enhance the material well-being of the people of Wales.

Nick Smith: I, too, support the principle of devolution, but what people in the towns of Tredegar, Ebbw Vale, Abertillery and Brynmawr are interested in at the moment is jobs. With long-term youth unemployment having risen by 60%, they want a Government who deliver real jobs to boost our economy in Wales.

Mr David: My hon. Friend makes a very important point. It is essential that we do not consider this as an abstract constitutional debate, because it has a direct bearing on the well-being of the people of Wales, their economic prosperity and the levels of employment that they enjoy.

I have sought to emphasise the importance of public expenditure to Wales. It remains important and will continue to be so well into the future. We are in the process of changing the nature of the Welsh economy, but by definition that process will take a long time to work through. It is important to recognise that. My hon. Friend the Member for Blaenau Gwent (Nick Smith) is correct, therefore, about the need to ensure that this is not an abstract debate, because it impinges on the lives and realities of the people of Wales.

I hope that this will be the start of the ongoing debate that unquestionably we need to have. I also genuinely hope that if we are to have change, there will be a political consensus, not only in the House, but among our colleagues in the Welsh Assembly and many people in Wales, too. That is a desirable outcome to work for, and I hope that it will be achieved, but at the end of the day, whatever course of action is decided upon, our acid test must be: what is best for Wales and its people?

3.35 pm

Guto Bebb (Aberconwy) (Con): I welcome the opportunity to speak in this debate, which is an important debate—although that could have been questioned last night when I was out dining with colleagues. As some Members will realise, we are on a one-line Whip, but I was explaining to colleagues last night that the Welsh Members were on a three-line Whip and that I had to take part in a debate on the Silk commission. One of my colleagues looked at me in a slightly surprised fashion, before asking, "What has silk production got to do with Wales?" Unfortunately, if we talked about the Silk commission to most people in my constituency, apart from the two or three who contacted me about the remuneration of its members, most people would probably give the same response as my colleague, so we need to get out there and talk about the commission so that people can engage with the process.

I fully recognise the description given by my hon. Friend the Member for Monmouth (David T. C. Davies) of how devolution has developed in Wales. Too often, something has been asked for as a means to an end, because the Assembly has argued, "If we get a little more power, we will change the situation in Wales", and time and time again, further power has been given to the Assembly, only for the complaint to be made that more power is needed. It is crucial, therefore, that we have a real public debate in Wales.

Mr Mark Williams: Is the hon. Gentleman reassured by the breadth of the commission and the fact that there are representatives of all four political parties? Is he also reassured by Mr Silk's assurance that he intends to take the commission out to the different communities in Wales in order to reassure them and further advance the debate?

Guto Bebb: I am grateful for that intervention; it is an issue that I shall touch on later, but yes, I welcome the fact that the intention is to ensure significant public engagement. However, we have experience in Wales of public consultation in relation to the Assembly that resulted in a pint and a curry and very few people turning up. It is important, therefore, that we have proper consultation on the commission.

Some of the comments made by the hon. Member for Caerphilly (Mr David) need clarifying. We hear a lot from Opposition Members about the cuts being imposed upon the Welsh Assembly by the Westminster coalition Government, but often those cuts are not placed in any context—no recognition that we face a financial crisis or recognition of the £150 billion deficit this financial year. I do not blame all those things on the previous Labour Government, but to make those comments about the cuts to the Welsh Assembly budget without any recognition of the context is irresponsible.

Mr David: My point is simple. Where there is demonstrable need, as in much of Wales, it is morally wrong for this Government, up here in London, to introduce cuts that will impinge upon the lives of ordinary, decent, hard-working people.

Guto Bebb: It is interesting to note that the Labour Government in Cardiff Bay were planning for 3% cuts per year for four years, yet, as we saw from the settlement granted by the coalition Government, the actual cut is in the region of 2% per year. That would be manageable in any small or medium-sized business in Wales, so I see no reason why it should not be manageable for the Welsh Assembly Government.

Some Members will have noticed that when the right hon. Member for Neath (Mr Hain) was commenting on the boundary changes, indicating, once again, that Wales was being extremely harshly treated, he refused more than once to allow me to intervene. The reason I wanted to intervene was that I was of the opinion that the hon. Member for Pontypridd (Owen Smith) had been promoted to the Opposition Front Bench as a result of his superb understanding of financial matters, because it transpires that he has written in a pamphlet that there is a need to reduce the number of Welsh MPs. However, the shadow Secretary of State for Wales argues otherwise, so now we understand why there has been a change on the Opposition Front Bench. The reason is simply because of disagreements between the two spokespersons.

Owen Smith: I would merely ask the hon. Gentleman to clarify this reference, which he appears to have plucked out of thin air.

Guto Bebb: The reference is to a pamphlet to which the hon. Gentleman contributed that was quoted at length by Professor Wyn Jones in a recent article in *Barn*. If he has misquoted the hon. Gentleman, the

[Guto Bebb]

hon. Gentleman can take it up with the professor, but that article has been printed in a taxpayer-supported publication in Wales, and I shall stick by my comments.

We need to ask ourselves a simple question: why are we here today? We are here because the Wales Office has delivered on the promise in the coalition agreement to establish a Calman-like commission to consider how the Welsh Assembly is accountable to the people of Wales. I accept entirely that the Assembly is accountable to the people of Wales because they elect its Members, as several hon. Members have said. However, every Member in the Chamber will also recognise that local authorities are accountable to the electorate because local councillors are elected; yet they are accountable through the council tax increases they impose as well. Therefore, it is certainly arguable that there is a need for some financial and fiscal accountability in how the Welsh Assembly operates. We should welcome the fact that the coalition Government have recognised the need to consider the issue. It is a strength of the coalition that we are willing to look at difficult questions and consider them at length.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): Does my hon. Friend sympathise with companies such as those in my constituency that have said to the Silk commission, through us, "Please recognise that we are UK companies competing in the UK and global markets. We are proud to be Welsh, but we are UK-based companies when it comes to tendering for important work"?

Guto Bebb: I fully accept that. Indeed, I was recently at a CBI event in Flintshire at which exactly the same points were made, albeit not specifically in relation to the Silk commission, about how devolution has to work for Wales, while also recognising that small and large businesses—especially in parts of north Wales such as my constituency, where one can reach the English border in 45 minutes or less—must be treated equally to those across the United Kingdom. The commission that is being established will look into those issues. I would encourage businesses in my constituency and across Wales to engage fully, as I did to the CBI audience in Flintshire recently.

Huw Irranca-Davies: Does the hon. Gentleman agree that even though the commission's terms of reference do not include the West Lothian question and the Barnett formula, it would be hard for the commission entirely to ignore them? It must proceed with some cognisance of the additional work being done across Government, because otherwise its conclusions may be aborted before they have even been published.

Guto Bebb: I thank the hon. Gentleman for what was again a thoughtful comment. It is recognised that there is a debate to be had on the Barnett formula between the Government in Cardiff and the Government in London. Where the Welsh Assembly wants to speak up on behalf of the people of Wales about the implementation of Holtham, that is the proper way to proceed. I welcome the fact that the coalition Government have announced movement on the West Lothian question. It has received a lot of attention in this debate, but when there was a Back-Bench motion on the West Lothian question, my hon. Friend the Member for Carmarthen West and South Pembrokeshire (Simon Hart) and I were the only two Welsh Members present. However, it is important to take the issue into consideration, because ultimately—I think it was the hon. Member for Alyn and Deeside (Mark Tami) who also said this—it is important that, for example, Members from north Wales should have a voice on health issues in England. As someone who is dependent on health services provided in Liverpool and other parts of England, I sympathise with that view. Another argument, however, asks why we should have a voice on the health service in England if we do not allow any English Member to have a voice on the health service in Wales.

Mr Robin Walker (Worcester) (Con): As an English Member, and a member of the Welsh Affairs Select Committee, I recognise that problem. Does my hon. Friend acknowledge that the cuts being made by the Welsh Assembly Government are placing an extra burden on those parts of England whose health services are used by people coming from Wales? Does he agree that the commission should take that into account?

Guto Bebb: I agree with my hon. Friend; that issue is being brought into sharp focus by the health service cuts in Wales. We have heard a lot about spending the health pound in Wales, which is something that I generally welcome, but sometimes the expertise for those services happens to exist in Liverpool or Shrewsbury—

Mr Walker: Or Worcester.

Guto Bebb: Indeed. In those circumstances, it is crucial to recognise that there is an issue that needs to be addressed.

There are other reasons why we should welcome the Silk commission. When the referendum in 1997 produced a narrow decision by the people of Wales in favour of establishing the Welsh Assembly, Ron Davies, the Secretary of State for Wales at the time, famously said that devolution was a "process, not an event". The reason for welcoming the commission is that, for too long, the devolution process has been one that has been internal to the Labour party. It has been driven by a need to keep the Welsh Labour party united, rather than by a need to ensure that the people of Wales have the best possible governance.

Mr Mark Williams: One subject that has been mentioned in the debate is the legislative competence orders, which many of us had to endure in the Select Committee. Attempts were made to set them in stone as an illustration of good government, rather than the real devolution that some of us are committed to.

Guto Bebb: It could be argued that the legislative competence order procedures and the Government of Wales Act 2006 were very successful in the context of what they were supposed to do, which was to keep the Labour party united. In terms of providing for good governance in Wales, however, they were an absolute disaster, and recognised as such by the people of Wales. The 2006 Act was also a belated party political attempt to create a situation that was favourable to Welsh Labour. It could be argued that my hon. Friend the Member for

Montgomeryshire (Glyn Davies) lost his Assembly seat as a result of the changes to the way in which Welsh Assembly Members were elected, as implemented by the Act. Those changes were made for internal Labour party purposes, not as a result of any demand by the people of Wales. Not a single individual in my hon. Friend's constituency argued that he should lose his seat because of changes that had been implemented to keep the Labour party happy.

Alun Cairns: Does my hon. Friend also recall that those changes to the electoral system were introduced against the advice of the Electoral Commission?

Guto Bebb: Indeed; we should not be surprised by any of the actions taken by the Labour Administration.

Mr David: The principle that brought about that change was quite simple. It was that an individual should not stand for two types of seat. Why should they have two bites of the cherry? That would be undemocratic.

Guto Bebb: The hon. Gentleman should be aware that the system was changed specifically as a result of pressure within Labour party. There was no call for such change from the Welsh public. It has been argued that change should be made as a result of demand from the Welsh people, and I recollect no such demand.

Hywel Williams: I am sure that the hon. Gentleman will recall that that kind of dual mandate was allowed in Scotland. In fact, if my memory serves me correctly, I think that there was a Minister who held that kind of mandate when he was in the Labour Government there.

Guto Bebb: I thank the hon. Gentleman for that contribution. I do not doubt that his comment is accurate.

Another reason for welcoming the announcement is that it creates a cross-party and non-party commission, which is something very fresh and new in the Welsh context. As I have said, however, it will not work unless the people of Wales take an interest in the issue. I would therefore stress that we, as Members, need to go out and persuade our own electorate to take an interest in the commission and its work.

A second reason why we need to welcome the commission is the fact that although there have been numerous commissions and inquiries into the powers of the Welsh Assembly Government and how it should work, the Silk commission is different because it has been created by the Westminster Government. The Holtham commission produced a superb piece of work. I have read the documentation, and the arguments in the research are persuasive, showing that Wales has for several years suffered a degree of unfairness in the funding provided by central Government. The degree of unfairness was not as great as was claimed by Plaid Cymru Members, but the main point—that the Barnett formula was unfair—was, I think, proven by the report.

The Silk commission is different and more advantageous. Because it is a commission established by the coalition Government in Westminster, the ability to act on its findings is stronger. We are still waiting for the Holtham recommendations to be implemented, but our ability to act on the findings of the Silk commission is clear, which is another reason why we should welcome its establishment.

Huw Irranca-Davies: I thank the hon. Gentleman for being so generous in giving way. Having praised the Holtham report, as I do, does he agree that in respect of the Silk commission, one thing that we do not need to wait for is putting a funding floor in place to protect the interests of Wales as we go forward? As the Secretary of State said, we could be expecting to receive the Silk commission report just before the next election, perhaps just after it or even a bit longer after it. If we got on with the Holtham recommendations and put the funding floor in place, we would at least be doing our job for our constituents right now.

Guto Bebb: I thank the hon. Gentleman for that intervention. Given that an intergovernmental approach has been applauded by the First Minister, it is imperative for him to get down to the Treasury as soon as possible to discuss the issue. We are often told that there is a respect agenda between Westminster and Cardiff. It is not therefore for us to say to the First Minister that he must act now, but I would certainly recommend that the discussions should start—and the sooner they start, the better.

Mrs Gillan: Let me reassure my hon. Friend that the bilateral discussions on the Holtham floor are already taking place between the two Governments. It is quite right that those matters have been reserved for bilateral intergovernmental conversations.

Guto Bebb: I thank the Secretary of State, and I am delighted to hear that those discussions have already started. I take the view that the sooner they are concluded, the better.

Owen Smith: I do not intend to refer to the quotation in the pamphlet now—I shall do so later, if I may, and perhaps seek to get it withdrawn. I am intrigued to hear the hon. Gentleman say that he thinks the discussions should conclude as quickly as possible. Do I take it that he will urge his right hon. Friend the Secretary of State to do just that—to conclude the negotiations as soon as possible and then to implement them? As my hon. Friend the Member for Ogmore (Huw Irranca-Davies) has said, we do not need to wait for Silk; we could have this now.

Guto Bebb: I am slightly surprised by that intervention, because I thought it was self-explanatory. The sooner the discussions between the Government in Cardiff and the Treasury are concluded, the better. *[Interruption.]* My understanding is that this is a matter for the Welsh Government and the Treasury. I am sure that the pressure is being brought to bear by my Front-Bench colleagues.

Huw Irranca-Davies: Will the hon. Gentleman give way on that point?

Guto Bebb: Once again, yes.

Huw Irranca-Davies: I am genuinely trying to be helpful. I think the hon. Gentleman is saying that he would support the principle of the Holtham commission—

[Huw Irranca-Davies]

that there should be a funding floor at this time. I understand what he says about the respect agenda. As a strong pro-devolutionist myself, I say that the respect cuts both ways. If parliamentarians like the hon. Gentleman and my hon. Friends were to express our clear opinion today, it would help our Welsh Assembly Government colleagues and the First Minister to come to a rapid conclusion, while also assisting the hon. Gentleman's Front-Bench colleagues.

Guto Bebb: I thank the hon. Gentleman for his intervention. For clarity, let me say that I am previously on record as stating that the Holtham report was persuasive, and the sooner the recommendations were implemented the better—recognising, of course, the financial constraints faced by the Westminster Government. I hope that fully clarifies the matter.

Before I turn to the detail, let me say that when we talk about the process of devolution in the Welsh context, there is often a misunderstanding about exactly what the people of Wales are saying. Many Members will claim that the result of the referendum in March was a clear indication of the will of the people of Wales. Like many of my colleagues, I was surprised by the extent of the support for change, but it must be said that that change happened on the basis of a comparatively low turnout. I am not one to argue that those who do not turn out have an equal voice: democracy means that people must take part in order to ensure that their voices are heard. However, I think it should concern all of us who want to ensure that we have an Assembly that works for the benefit of the people of Wales that only 35% or 36% of the Welsh population turned out to vote in that referendum.

There is currently a disengagement with the political process in Wales, which, unfortunately, is more pronounced in relation to elections to the Welsh Assembly than it is in relation to Westminster elections. For example, I was elected to the Aberconwy constituency on a turnout of 70%, one of the highest turnouts in any Welsh constituency for a Westminster election. The turnout for the Assembly election was about 40%. Those who argue that the voice of the people of Wales was heard clearly back in March are actually arguing that a turnout of 35% and a yes vote of 60% constitute a clear democratic mandate. They do not. A great deal of work remains to be done to persuade the people of Wales that the Assembly is working on their behalf, and I think that the commission will have an opportunity to engage with them.

Other myths are being peddled by those who do not support the Assembly. There are plenty of them in Wales, and they tend to hear what they want to hear. They say that when they mention the Assembly, people complain that it is not delivering on health. I think that that is true, and it is a complaint that we hear on the doorstep. They say that people also complain that educational standards in Wales are extremely poor in comparison with those in England and many other parts of the European Union. I think that that is true as well, and again we hear about it on the doorstep. However, I believe that the enemies of the Welsh Assembly often misunderstand complaints about its performance. They consider those complaints to be an indication that people are fed up with the Assembly and do not want it, but I do not agree.

I think that the people who complain are not dissimilar to a mother who criticises a badly behaved son or daughter. The mother will be more than happy to complain about the behaviour of that son or daughter, because after all she has a right to do so, but when she hears someone else complain about it, she immediately goes on the defensive. I think that the same applies to the attitudes of people in Wales towards the Assembly. Yes they criticise, yes they complain, but ultimately there is a feeling—which I think those who are unhappy about the Assembly must take on board—that it is "our" Assembly. Perfect? No, it is not. Could do better? Undoubtedly. But there is, I believe, an acceptance that it is the Welsh Assembly, and I think that those who are unhappy about the way in which it is developing should engage in the process that we are discussing to ensure that we have a better performing Assembly to serve the people of Wales.

The first part of the Silk commission's work will relate to fiscal responsibility—an issue that I believe we should consider seriously. Yes, the Assembly has a responsibility to answer to the people of Wales, and yes, its members are elected by the people of Wales, but ultimately we need a degree of accountability for fiscal decisions. Time and again during the 18 months for which I have been a Member of Parliament, we have heard members of Opposition parties criticise the cuts being made at Westminster, and we have heard Assembly Members criticise them as well. It is easy for them to make such criticisms: there is no need for them even to think about the deficit, because it is not the Assembly's responsibility. The cuts being made in Wales—which are much lower than expected, and lower than cuts in many other parts of the United Kingdom—are being made in a context, and the problem with the current set-up in the Welsh Assembly is that that context is missing from its debates. That is why I think we should think about fiscal responsibility.

Welfare reform provides a useful analogy. The changes proposed in the Welfare Reform Bill, which has completed its passage through the House of Commons and is currently in the other place, are built on the concept of giving people who receive state benefits a degree of accountability and responsibility. There is a difficult argument to be had. I have been talking to housing associations in my constituency about the importance of ensuring that housing benefit is paid directly to claimants, to enable them to have the same respect and dignity as any other member of society in terms of paying rent and taking responsibility for their financial position. The same responsibility should apply to Governments. After all, the smallest community council in my constituency will raise local taxation, and I see no reason why the Welsh Assembly should not have the same degree of responsibility and accountability.

Having said that, it is important to point out that there are difficulties. The right hon. Member for Delyn (Mr Hanson) is no longer present, but he made an important point about people commuting across the border to work in jobs in north Wales. One of the jewels of the Wales economy is the Airbus factory in Broughton, which is committed to apprenticeships and training, and giving young people from north-east Wales genuine employment opportunities. We should be proud of that, and we should also be proud of the support Broughton has received from the Welsh Assembly, but we cannot

deny the fact that many of the workers at Broughton travel in from England—or that many of the workers at the Ellesmere Port factories producing Vauxhall cars travel in from north-east Wales.

Hywel Williams: I am slightly disappointed that the hon. Gentleman and other Members seem to think of such cross-border traffic as a problem. As I have already said, a Welsh Affairs Committee report acknowledged that there were some problems, but noted that in general the arrangements were working quite well. To give just one example, more people from England are registered with GPs in Wales than vice versa. There is a technical reason for that, by my point is that cross-border travel need not be a problem.

Guto Bebb: The hon. Gentleman is mixing up the question of fiscal changes, which is what we are discussing, with the issue he raises about GP surgeries. The fact that Northern Ireland has an uncompetitive tax regime compared with that of the Republic of Ireland is a huge political issue, and it is also well known that the republican factions in Northern Ireland have financed themselves through smuggling operations because of the different rates of duty on petrol.

I do not want to overstate this issue, but we should take it seriously. I am sure that we can successfully address it, and the Silk commission has been set up precisely to examine such matters. Members of Plaid Cymru often refer to the Holtham report as a document that is beyond criticism, and it highlights this issue in some detail. I think the Silk commission needs to look into it and come to a conclusion.

On fiscal responsibility, I was intrigued by an article in today's edition of *The Western Mail*. I do not read *The Western Mail* often—after all, I am a north Walian, and we tend to read the *Daily Post* up in north Wales—but in that article it appears that the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards) said that he did not support fully devolving fiscal responsibility and tax-raising powers to Wales at this point in time, as he thinks that would be inappropriate.

Jonathan Edwards *rose—*

Guto Bebb: I agree with that; I think it would be inappropriate. We know that there is a huge funding gap between the amount of money raised in taxes in Wales and the public expenditure in Wales. I would therefore ask the hon. Gentleman whether he disowns the policy of his party, which is to call for independence—a policy that I am pleased to say the party never advocated when I was a member of it.

Jonathan Edwards *rose—*

Guto Bebb: The question of fiscal responsibility does raise issues, therefore. *[Interruption.]* I was under the impression that honesty in this Chamber was appreciated. There are issues that we need to consider.

Hywel Williams: On a point of order, Mr Deputy Speaker. Do you agree that when a Member mentions another Member, it is usually proper for the Member mentioned to be able to respond?

Mr Deputy Speaker (Mr Lindsay Hoyle): That is not a point of order, as the hon. Gentleman knows, but it is a customary courtesy in this House that if a Member mentions another Member they then give way to them. That is up to the Member concerned, however.

Guto Bebb: I did not notice that the hon. Member for Carmarthen East and Dinefwr was seeking to intervene. Earlier, I spoke with him in the Tea Room and told him I would be making that comment, and I would be delighted to take an intervention from him.

Jonathan Edwards: I thank the hon. Gentleman for his courtesy in giving way. As a former Member of my party, he will know that independence for our country is an aspiration, but that does not mean that we want it tomorrow. One reason for gradually devolving fiscal powers is to empower our economy to be strong enough to achieve that ambition.

Guto Bebb: That is an interesting clarification, which is contradicted somewhat by an article by one of the Plaid Cymru leadership contenders that appeared in the *Daily Post* last week, and in which it was stated that the constitutional aspiration of the party of Wales was clear. It was not a very clear statement, I thought.

Mr David: In case the hon. Gentleman is thinking of joining the Labour party, may I just tell him that it is full?

Guto Bebb: I am grateful for that intervention, but the Labour party has no hope of having me as a member.

Owen Smith: This is not a point of order, but just a request for clarification. Is there a reason why the hon. Gentleman did not approach me in the Tea Room before mentioning me and misquoting me in the Chamber?

Guto Bebb: The hon. Gentleman was not in the Tea Room when I was there. I hope that he accepts my apology.

On part I, it is important that we consider the issue of fiscal responsibility. Some of the areas that the First Minister has said are appropriate for change are not acceptable, because they are not significant changes. For example, I do not think that the average person who votes in an Assembly election will be motivated to vote one way or the other because of a slight change in the aggregates tax. We need to look at proper fiscal changes.

Paul Murphy: Will the hon. Gentleman give way?

Guto Bebb: This will be the last intervention, because I need to finish.

Paul Murphy: The hon. Gentleman refers to significant changes. Does he accept that the most significant change in income would arise from income tax? Does he also accept that before that could be introduced, the people of Wales would have to decide on it in a referendum?

Guto Bebb: I am not sure whether the most significant change would have to be in income tax. There is an argument for changing the rates of employers' national

[Guto Bebb]

insurance contributions, which could be beneficial from a Welsh economic perspective. Whether the changes require a referendum depends on the range and the outcome of the Silk commission. I would not want to commit myself on that at this point in time.

The concept of fiscal responsibility is something that everybody in Wales should welcome. I find it difficult to understand how anybody in this Chamber who believes that the Welsh Assembly should have a degree of accountability to the people of Wales can be opposed to the concept of fiscal responsibility. I look forward to the findings of the Silk commission on part I. I believe that they will contribute to the debate. It is crucial that all stakeholders in Wales contribute to this debate, because otherwise we will end up with a discussion not dissimilar to what the hon. Member for Monmouth described.

Finally, part II deals with constitutional changes and what further boundaries we need to consider, beyond the changes that have already been made. It is important to state that we are talking about boundaries within policy areas, not physical boundaries. Several individuals I know who live in Oswestry are slightly concerned about the comment that we are looking to change the boundaries. Personally, I would be delighted to welcome back Croesoswallt—or Oswestry—to Wales, but I do not think that that is the intention of the Silk commission.

When we talk about boundaries, we are talking about whether there are aspects of the relationship between the responsibilities of the Assembly and those of Westminster that we need to look at again. As has been said, matters such as transport are not fully devolved. That may be a good or a bad thing, but the main arteries going in and out of north Wales and south Wales go from east to west. Therefore, if there were improvements to the A55 in Flintshire they would be wasted unless there were improvements to the M56 in Cheshire. There are clearly transport issues that need to be examined. We have also spoken about the fact that health is not fully devolved.

Finally, we need clarification on energy policy. The opportunity for economic and employment growth in Wales as a result of large-scale energy projects is something that we should all welcome. However, there is confusion over whether permission for such projects is granted by the Welsh Assembly or Westminster. Businesses looking to invest in hydro, wind power or tidal power need clarity about where the permission comes from and where the responsibility lies. That would be beneficial to the Welsh economy. I sincerely hope that that will be considered as the Silk commission moves on to part II.

Jonathan Edwards: I thank the hon. Gentleman for giving way again; he is being extremely generous. He will be aware that his party and the Lib Dems fought the National Assembly election in May on the basis that they would extend energy consenting powers. Does he agree that it is a disgrace that the UK Government down here are ignoring those pledges that were made to the people of Wales less than six months ago?

Guto Bebb: I again thank the hon. Gentleman for his contribution. This is a difficult subject. There is clearly a need for clarity for the business community. Having said that, I would be extremely concerned if I was a resident of Anglesey who supported the new nuclear power station and the issue was completely devolved to the Welsh Assembly, which has a pathological hatred of anything nuclear. Clearly this is an issue that needs to be examined. The point that I am making is that the Silk commission will allow us the opportunity to consider this subject in detail.

Ultimately, what we do have—this is probably why the shadow Secretary of State was so churlish in his response to the announcement of the Silk commission—is a coalition Government who are willing to consult on a cross-party and non-party basis, and to talk to the people of Wales about the way in which Wales should be governed in the future. The Silk commission is being established to try to create real accountability for the Welsh Assembly, and in particular, it is examining the way in which some devolved areas need to be considered again to ensure that we have a settlement that works for Wales. I am astounded that any Opposition Members would oppose a consultation process.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): Before I call the next speaker, I remind hon. Members that we have six speakers and one hour and 20 minutes left. We ought to make sure that we get everybody in, as this is an important debate for all who wish to take part.

4.10 pm

Hywel Williams (Arfon) (PC): I am somewhat surprised to be called now. I hope that my hon. Friend the Member for Carmarthen East and Dinefwr (Jonathan Edwards) will have the opportunity to make a contribution, and I will be very brief.

First, may I apologise to the House on behalf of my right hon. Friend the Member for Dwyfor Meirionnydd (Mr Llwyd), who has had to leave because of a medical appointment? I was glad to hear the hon. Member for Aberconwy (Guto Bebb) expressing his interest in and loyalty to the Assembly. I shall briefly regale the House with a malapropism that came out on Radio Cymru—only the Welsh-speaking Members will understand this. A farmer from Ceredigion phoned in and called the Cynulliad "the cyn lleied" *[Laughter.]* I will now explain. The Cynulliad is the Assembly whereas "cyn lleied" means so little. By just a simple transposition he was able to make his point.

My party of course welcomes the establishment of the commission. We are very glad that all four parties in Wales are represented, in addition to the distinguished independent members. It is a great improvement on the Calman commission in Scotland, in which, for whatever reason, not all the parties took part. We are seeing some of the consequences of that in Scotland, where there continues to be extreme controversy about the constitutional settlement. I hope that in Wales we are one step ahead of that problem.

As all hon. Members would hope, Plaid Cymru will participate in and contribute positively to the work of the commission, trusting that its recommendations will lead to better governance of Wales, in the gradualist fashion that my party has always followed. Reference has been made a number of times to our ambition for

independence for our country, but I think all hon. Members would concede that in the way we have operated over the years we have been a gradualist party aiming towards independence but prepared to work with everyone else to improve the governance of our country, with growth and prosperity for our country as our aim.

Where others shy away from seeking greater responsibility for the Welsh people and our Government, my party wants them to take it. We want them to do so because by taking responsibility for ourselves, we can create and build the better Wales—the Wales that we all want to live in. Devolution should not stop—indeed, it cannot stop, as Ron Davies said all those years ago—and it will not stop, despite the Secretary of State's apparent call for a moratorium, which I saw in *The Western Mail* about three weeks ago. It is clear that in respect of the requirements of good governance, this Government take action, as did the previous Government, to transfer powers to Welsh Ministers. We see statutory instruments appearing fairly regularly to transfer powers. They are perhaps minor powers—they are not changes of principle—but that process will continue.

Mrs Gillan: May I reassure the hon. Gentleman that what I had envisaged was that the major questions—such as energy, ports and the other areas that have from time to time come across my desk, with demands having been made that powers in those areas be passed down—should rightly be looked at by the Silk Commission, but I am certainly not ruling out transfers of administrative matters from time to time where it makes sense? To rule that out would be nonsensical and the door is always open on those issues. I think it is a question of common sense, but we must not undermine what the Silk commission will look at in part II.

Hywel Williams: I am grateful to the Secretary of State for making that point, because her comments and those of other hon. Members could easily be misinterpreted if looked at briefly.

It seems clear that the current arrangements are not sustainable in the long term. The settlement between London and Cardiff is complicated, but that need not be a bad thing—sometimes complicated is good if the system works very well. The system does seem complicated but it is, thankfully, now much clearer than it was under the highly unsatisfactory legislative competence order system that we struggled with under the previous Government. The Under-Secretary was on the Welsh Affairs Committee with me and I am sure that he was tempted to jump to his feet when the housing LCO was mentioned. However, I shall not intrude into that particular piece of history.

Roger Williams: Does the hon. Gentleman agree that the system is not only complicated but is spread over a great body of law, making it very difficult to use that law for its proper purpose? Does he agree that the Silk commission could look at that as well?

Hywel Williams: There have been persistent complaints from members of the legal profession in Wales and others, including academic lawyers, who have looked at the changes to the body of law in Wales and found that it is difficult to keep track. There are people who are doing a heroic job of trying to keep track of the implications and I only wish that they were better resourced. Unsurprisingly, my opinion is that there should be a devolution of jurisdiction to Wales, which would make things rather clearer, but I shall say something about that later.

Huw Irranca-Davies: Does the hon. Gentleman agree that the Silk commission, whatever its outcome, will not get rid of complexity entirely? Indeed, some complexity is a necessary—if not evil—part of the devolution process. The level of maturity of this stage of devolution means that there is often administrative negotiation, including over aspects that the Welsh Assembly Government want to pass back or to be retained here because it makes more sense to do them on a UK-wide basis. For example, some aspects of marine matters have been devolved, but the Assembly has later returned to say, "Actually, we'd like that little bit to be done on a UK-wide basis, because that is where the resources lie."

Hywel Williams: I thank the hon. Gentleman for that intervention. As I said, sometimes complexity is good and necessary. I do not want to appear too Panglossian about this, but it seems to me that we have a system that works fairly well. However, as we say in Welsh, nid da ble gellir gwell—it is not good if it can get better. Certainly that is our ambition.

The principle of the system for Wales inevitably still leads to a lack of clarity and some confusion for the public. I am glad to see that the commission will be looking at systems of devolution in other parts of the world. The hon. Member for Brecon and Radnorshire (Roger Williams) referred to the Scottish model as one under which everything is devolved other than that which is not, as compared with the situation in Wales, where nothing is devolved other than that which is. There is a great deal to commend that particular system.

I also encourage the commission to look beyond the boundaries of the UK. In an intervention on the former Secretary of State, the right hon. Member for Torfaen (Paul Murphy), I pointed out that the system in the Basque country, in terms of money, is slightly different to that in the rest of Spain, which generally operates on a block grant principle, whereas the Basques have historically, over many centuries, raised their own taxes and then sent a certain amount of money down to Madrid. That is easier for them given that the gross domestic product in the Basque country is currently 140% of the average across the country, so they are in the rather lucky position of having the money to do that. It is interesting that the Basque country has a steel industry and a history of heavy industry, but seems to have managed to go beyond that with the Mondragon co-operatives and various other methods that it has adopted. The area is similar to Wales in population and culture, with a smallish linguistic minority, but there we are—it seems to be succeeding where Wales is not.

I would say this, but I think that the will of the people of Wales was made clear in the referendum. I take the point made by the hon. Member for Aberconwy about the turnout, but unless we have compulsory voting there will be variations in turnout and I do not think that the lowish turnout for the Assembly elections indicates disenchantment with that body—rather, it is growing in popularity and interest. He made a good point about defending the institution. It may be a body that we are

[Hywel Williams]

not always particularly keen on, but at least it is ours, and people must defend it. I hope that the commission's timetable allows for legislative change before the next election, but I am grateful to the Secretary of State for setting out the options, which will repay close study.

I am conscious of the fact that time is passing and that other hon. Members wish to speak, but I will make a couple of further points. There is plenty that could be done, and I recommend that the commission look at two excellent private Member's Bills, which happen to be mine: the Bilingual Juries (Wales) Bill, which I introduced in 2007 and which failed abjectly to proceed; and the Jobcentre Plus (Wales) Bill that I introduced earlier this year and which the hon. Gentleman opposed very successfully indeed, along with many of his friends across the border.

Those are two practical changes that could profitably be looked at by the commission, and I am sure that there are more. In my party at least, we have an appetite for change. We have done the work, and we have the imagination to think about what sort of changes might be introduced, so I commend both those measures.

If hon. Members want an example of why the devolution of certain measures is necessary, I refer them to the recent shenanigans of S4C and my early-day motion 2316. The scrutiny of the Public Bodies Bill by the majority of Members from Wales was entirely deficient as far as S4C was concerned. There were five Members from Wales on the Committee that considered the Bill. Two were unable to speak because of the role that they played, but the other three Members worked very hard indeed, and I pay tribute to the hon. Members for Clwyd South (Susan Elan Jones) and for Ceredigion (Mr Williams). We were able to debate the issue at length, and I was glad that we could do so. Subsequently, I secured a Westminster Hall debate on the subject, which was well attended.

When the Public Bodies Bill was on Report, however, we did not, for reasons that I will not go into—I shall not begin to point fingers—reach the amendment on S4C, so the majority of Members from Wales did not have an opportunity to express their opinion. That is one reason why the commission should look at an area that is difficult and complicated to devolve.

Alun Cairns: In view of the fact that the hon. Gentleman is commenting on S4C, will he congratulate the Secretaries of State for Wales and for Culture, Olympics, Media and Sport on the fantastic deal that S4C has secured with funding from the BBC?

Hywel Williams: The deal that was eventually reached has pleased no one and has pleased everyone to some extent because S4C has taken a hard hit on money. However, I pay tribute to the Secretary of State, and to Members from all parties, including Lords Wyn Roberts, Dafydd Wigley, Dafydd Elystan-Morgan and John Morris, who pressed the case, along with the BBC Trust member for Wales, Elan Closs Stephens, Cymdeithas yr Iaith Gymraeg, my hon. Friends and, perhaps, me. Everyone is included—success has many parents—so let us leave it at that. All I want to say is that broadcasting should be subject to fair scrutiny.

4.24 pm

Alun Cairns (Vale of Glamorgan) (Con): I am grateful for the opportunity to contribute to this extremely important debate for Wales, for the constitution, and for the stability of devolution, both in Wales and across the United Kingdom.

I congratulate the Secretary of State on securing the debate in Government time and on the way in which she introduced it. This is a genuine debate about the need for greater accountability and stability in the devolution settlement. It will set the scene for the Silk commission. Of course the commission is independent and I congratulate each and every one of its members. They need the freedom to investigate the issues, but this is an important debate about Wales, in Government time, in the Chamber.

In the past the Conservative party and the Conservative Secretary of State have been accused by Opposition parties of being devo-sceptics, but the reality is very different. Few predicted that it would be a Conservative Secretary of State who delivered a referendum on further powers for the Assembly. Even fewer would have predicted that a Conservative Secretary of State would move to advance the settlement to secure its stability over the longer term.

Stability is the key point. Over the past 13 years, Wales has experienced significant constitutional change in a piecemeal approach that has served the interests of the Labour party. There is no doubt about the mess created by the Government of Wales Act 1998. We started off with the National Assembly for Wales. Then we had a change in the voting system, which was opposed by the Electoral Commission. Then we had the Richard commission, which was generally ignored, and the legislative competence order model taken from that was unworkable. The Holtham commission's report has not been debated even in the National Assembly for Wales. That was followed by a second referendum. All that was done to serve the partisan interests of the Labour party and to try and overcome the differences between the Labour Members in the Welsh Assembly and those on the Opposition Benches in this Chamber.

The churlish way in which the shadow Secretary of State responded to the opening comments from the Secretary of State for Wales demonstrated that the Opposition do not know how to react. There is obviously some enthusiasm from the Labour party in Wales for the Silk commission, but Labour Members here are worried about their personal futures, rather than thinking about the needs of Wales and the ability of the Silk commission to address them in order to deliver stability.

In view of the previous constitutional upheaval, the outcome of the Silk commission must be sustainable and must deliver stability, leading to a settlement that will not require further changes for a generation. Such confusing changes over recent years have led to a confused model of accountability. The public find it difficult to understand who is responsible for what because of the changes since the Government of Wales Act 1998, the referendums and other developments. The Welsh Government choose to perpetuate the confusion by blaming Westminster for anything that goes wrong in Wales, regardless of their own responsibility. They have learned from the early Blair years to become masters of spin.

Take the recent controversy over the establishment of wind farms. This is a subject that is extremely important to my hon. Friend the Member for Montgomeryshire (Glyn Davies), who is fighting hard for his constituents.

The applications for wind farms in some of the most beautiful parts of Wales stem directly from the First Minister's technical advice note 8 policy, which established strategic search areas identifying specific parts of the country that would be looked on favourably for wind farm applications.

As soon as the impracticality and unpopularity of the policy was exposed, we had a statement from the First Minister that he wanted to lead the charge to the Westminster Government to try and stop it happening. But the application was rooted in the TAN 8 policy developed in 2005, when Carwyn Jones was Minister for Environment, Planning and Countryside and had responsibility for driving that policy. The Welsh Government enjoy the resulting confusion, blaming Westminster when the responsibility lies on their desk.

That brings me to the respect—or should I say lack of respect?—agenda shown by many Labour politicians in Cardiff Bay. The agenda is a one-way street. Anyone listening to First Minister's questions on a Tuesday in the Assembly will hear that everything that goes wrong is the coalition Government's fault, yet it was Labour, here and in Cardiff Bay, that left Wales the poorest part of the United Kingdom and left an education system and standards that trail those in the rest of the UK, an inferior model for cancer care, longer waiting times for any medical interaction and every Welsh economic indicator—inactivity rates or unemployment rates—scoring much worse than those in any other part of the UK. That has not changed over the past 18 months, but anyone listening to First Minister's questions will recognise the audacity shown by the First Minister, reflected today by the shadow Secretary of State, in blaming Westminster for anything that suits them. Labour is happy to perpetuate confusion and use a publicly funded publicity machine to criticise the Westminster Government.

The reason for the decline in health, education and the economy is that since 1999 the Welsh Assembly Government have chosen to make the argument about structures, strategies and powers rather than deal with the real issues. The Welsh Assembly Government have become unaccountable because they can blame Westminster for anything that goes wrong.

On the economy, we began with the national economic development strategy. A few years later "A Winning Wales" came out. Later, the Assembly came out with "Wales: A Vibrant Economy". Running in parallel were the entrepreneurship action plan, the European aid programmes, which began with 600 partnership models, and a 90% target for GDP by 2010, which has not been met. The Assembly must be held responsible and accountable.

Guto Bebb: Does my hon. Friend agree that, incredibly, politicians in Wales are highlighting the fact that once again Wales will qualify for the highest rate of European intervention as though that was an achievement?

Alun Cairns: My hon. Friend underlines my point about the failure of the Cardiff Bay Government to seek to improve the quality of life: the economy, social care and education standards. In the 1997 referendum and the first Assembly elections in 1999 we were told that the devolution dividend would change all those things. Labour has failed, and it has not changed in the past 18 months. It blames Westminster for the underfunding that Holtham identified.

Owen Smith: The hon. Gentleman and his colleagues call for accuracy in the context in which we set our remarks about the public spending cuts in Wales, but should they not set themselves the same standards when discussing the profundity of the long-term, systemic economic problems facing Wales, which are reflected in our once again qualifying for objective 1 funding? I profoundly regret that, as I am sure he does, but the fact that we qualify shows how deep seated the problems are.

Alun Cairns: I am grateful for that point, but the hon. Gentleman misses the key issue: Labour's failure over 13 years. Labour Members salivate in decrying the 1980s. Wales was not the poorest part of the United Kingdom at the time, but it was when they left office. *[Interruption.]* The hon. Gentleman says from a sedentary position, "It is not true". Well, I will happily hear about the economic indicator that points out that Wales is not the poorest part of the United Kingdom.

Owen Smith: I did not say, "It is not true", and the hon. Gentleman makes a semantic point, because we are talking about fractions. Many parts of the UK have not benefited in lots of respects; in fact, they all share the characteristics of being post-industrial parts of Britain with the same deep-seated economic problems as Wales. Those problems are not something to be solved quickly, but the Assembly has worked extremely hard and been extremely effective in all sorts of areas of public life in Wales.

Alun Cairns: I am stunned by the complacency of the hon. Gentleman, an Opposition Front-Bench Treasury spokesman who really should have a better handle on these issues. He talks about semantics and very small percentages, but when Labour left office after 13 years of government Wales was the poorest part of the United Kingdom, despite all the great announcements that we heard during the period, on the Barnett settlement, Barnett plus, European money, match funding, PES—public expenditure survey—cover and how lucky Wales was to have a Labour-run Westminster Government as well as a Labour-run Welsh Assembly Government. The data are quite clear that there has been blatant failure. They highlight the fact that Wales is the poorest part of the United Kingdom, and I am aghast at the hon. Gentleman's complacency.

Guto Bebb: When the Welsh Affairs Committee visited Germany recently, the business people whom we met had no idea of any business organisation or Welsh Assembly Government Department with responsibility for inward investment, but every single one of them was aware of the Welsh Development Agency, an organisation that served Wales well in the 1980s but was abolished by the Welsh Government on the basis of a personal decision by the First Minister, who did not even have the courtesy at the time to inform the agency's chairman of his intentions.

Alun Cairns: I am grateful again to my hon. Friend, who highlights an important point. The hon. Member for Pontypridd (Owen Smith) looked on favourably when the Welsh Development Agency was mentioned, and so many businesses in Wales would love to see it returned.

[Alun Cairns]

We heard from my hon. Friend the Member for Worcester (Mr Walker) earlier. When his father was Secretary of State for Wales, Wales attracted 20% of the UK's inward investment with just 5% of the population. How great it is to have another Walker family member showing such an interest in Wales. That is the difference—from the time in the '80s when those jobs were being created and the economy was being restructured, to the failure that we have seen over the past 13 years. I also seem to recall the right hon. Member for Neath (Mr Hain) questioning the judgment of the then First Minister, Rhodri Morgan, in seeking to abolish the WDA and bring it into the Welsh Assembly Government.

Those differences are similar to the differences today between Labour Members at Westminster and Labour Members in the Welsh Assembly, who are far more enthusiastic about the Silk commission. Indeed, it is quite obvious that Labour Members here are in an uncomfortable position on Silk. They do not know how to react, and the shadow Secretary of State for Wales, in today's article in *The Western Mail* and in his response to today's debate, has tried to position himself by thinking, "How can we get out of this with some sort of political advantage?", rather than recognising that Assembly Members need to be more accountable for their policies.

I have listed the failed policies and, ultimately, the one on the economy, and we could go on to health, cancer care or any others that I have mentioned, because Opposition Members need to accept and recognise their part in that failure, rather than simply looking up the M4 and blaming everyone else when they quite honestly know that they are responsible.

Many Members have referred to the need for engagement, and I cannot underline that point enough. Advocates of devolution point to the outcome of the recent referendum, when 63% voted in favour, yet the turnout was only 35%, which demonstrates that a significant number in the population are not engaged. The key challenge for the Silk commission and the Welsh Government is to capture their imagination, hear their concerns and get them involved, because, troublingly, the views of anyone sceptical of devolution are almost dismissed, and I suspect that they largely make up the 65% of people who did not vote at the time.

Jonathan Edwards: The hon. Gentleman is using, as did the hon. Member for Aberconwy (Guto Bebb), the turnout for the referendum as a battering ram to try to hold back the whole process. The referendum was fought on an extremely technocratic question, and I was amazed that more than 30% of the people of Wales voted on a question that hardly anyone understood.

Alun Cairns: I am surprised at that intervention, and the low sights that the hon. Gentleman sets for himself. He was amazed by a 30% turnout. That almost sounds as though he was delighted with it. If that had been the case in the referendums in Scotland and Wales back in the late '70s, they would have been dismissed.

There is a need for engagement on the issue. I do not for one second use the low turnout as a reason to batter devolution, but it underlines the fact that many people throughout Wales and in almost every local authority area—ironically, the highest turnout was in Monmouth, at 50%—are troubled about devolution or do not understand it. Their views are as important as those of the strongest advocates, who I suspect are within Plaid Cymru.

Guto Bebb: My hon. Friend has explained extremely well the issue of the 65% who did not vote. I reiterate that the 65% should not be taken as a no vote, but that it shows that engagement with the Welsh Assembly needs to be improved dramatically.

Alun Cairns: I could not agree more with my hon. Friend, who further underlines the point.

The key theme is accountability, which was covered extremely well in the excellent report of the Holtham commission, which set the backdrop to the Silk commission, highlighting key issues relating to accountability and some of the points that I tried to make earlier. The report states that the public sector, and I would say the Welsh Government specifically, is

"in some ways detached from the economic circumstances of the citizens it serves"—

that is the need for better accountability—and

"simply blaming Westminster for inadequate resources"

is not an option. That is effectively the position we are in.

The change of Government at Westminster has produced a chorus of an argument from the Welsh Government in Cardiff Bay, to the extent that the level of debate is stymied to mere rhetoric. The best description of the Welsh Government's approach came from a former Labour Member of this House who said that the Welsh Government is in danger of becoming an

"institutional chip on the Welsh shoulder."

That encapsulates the approach. The accountability argument must be underlined time and again.

It is too easy for the Welsh Government to play the blame game, and I hope that the Silk commission will consider accountability extremely seriously. The Holtham report offers useful pointers. It states that if it is decided that there is merit in devolving fiscal powers, the tax should be one that

"is paid by a high proportion of Welsh residents...raises substantial revenue"

and

"is 'visible' to most citizens".

It is not surprising, therefore, that in seeking to avoid my accountability argument the Welsh Government and the First Minister call for air passenger duty, stamp duty, aggregates tax, landfill tax, and other obscure taxes. The more obscure they are, the less accountability there is, so they can continue the blame game. That is unacceptable, and I hope that the Silk commission will reject that.

Owen Smith: Again, I intervene on a point of accuracy. The hon. Gentleman quoted extensively from the Holtham report, which he purports to have read, so he will know that those are the very taxes that Gerry Holtham refers to as potentially being among the minor taxes that would be transferred to Wales.

Alun Cairns: The hon. Gentleman mistakes my recognition of the quality of the Holtham report for an indication that I agree with all its conclusions, and I

simply do not agree with all the conclusions. I said earlier that it is a useful backdrop to the Silk commission. That should be recognised.

To pursue the argument about accountability and the approach taken by the Welsh Government, in a similar vein it needs to be noted that over the past 12 years the Labour party in Wales used council taxes to raise additional funds and then put the responsibility on to local authorities, most of which, as a result of 13 years of Labour Government, were not Labour. The Conservative party ran the same number of councils in Wales as the Labour party, and that is a far cry from how it was at the time of devolution. Most of the funding for local authorities comes from the Welsh Government, so I would suggest that over the past 10 years or so there has been a deliberate strategy of squeezing funding from local government in Wales, forcing local authorities to raise more money in council tax. That is demonstrated by the fact that over the past five years the average council tax increase in England was 2.6%, compared with 3.8% in Wales. That amounts to a plan to make local authorities responsible for the additional revenue that they are raising instead of becoming accountable for themselves. I could go on to talk about the re-banding mistakes that were made in some areas, which squeezed even more council tax out of some of the people who were least able to pay.

I will close by sounding a note of caution about the volatility of many taxes. Whatever the Silk commission develops and comes up with, I hope that it will recognise the volatility between the level of income tax raised three years ago in Wales compared with the level raised now. There is a significant difference, and that will be another important factor for Silk to consider.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We have to be very careful about time now; I think that the length of that speech was rather excessive. We still have four Members to get in and roughly 44 minutes left for them to speak.

4.46 pm

Owen Smith (Pontypridd) (Lab): It is always a pleasure to follow the perfectly formed hon. Member for Vale of Glamorgan (Alun Cairns). I had hoped to follow the hon. Member for Aberconwy (Guto Bebb), as that would have given me an immediate opportunity to respond to his curious remarks—

Guto Bebb: Will the hon. Gentleman give way?

Owen Smith: In a moment.

I could have responded to the hon. Gentleman's curious remarks about some mysterious article that I have ostensibly written.

Guto Bebb *rose—*

Owen Smith: I will give way in a moment.

The hon. Gentleman said that somewhere in an article I had advocated a reduction in the number of Welsh MPs. If I had been mistranslated, that would have been a different matter, but I have certainly never advocated that. However, the article in question is relevant, and I will talk about it in a moment. Over to the hon. Gentleman.

Guto Bebb: I am grateful to the hon. Gentleman for allowing the facts to be stated clearly on the record. The article is called "Towards a New Union" and it was published by Compass. In talking about how to ensure that the West Lothian question is dealt with without moving to federalism, it states:

> "Such a reformation of English local government, allied to the reduced number of Welsh and Scottish MPs at Westminster, would go a long way to answering the English Question."

I think that the article was translated correctly and that my statement was also correct.

Owen Smith: I suggest that in future the hon. Gentleman needs to do more than take selected excerpts from things. He should read all 5,000 words of the article, in which he would clearly see that I am talking about the fact that we are going to have the number of Welsh MPs reduced—not that it is desirable, not that it is justified, but that it is a matter of fact as a result of the shameless gerrymandering of the electoral map in Wales that we have seen as a result of the Parliamentary Voting System and Constituencies Bill. I suggest that the hon. Gentleman needs to read it all—or if he would like to withdraw his remarks, which are wholly inaccurate, he can do so now.

Guto Bebb: I believe that the hon. Gentleman doth protest too much.

Owen Smith: I do not, at all. I am quoting accurately from my article. I suggest that the hon. Gentleman read it and that in future he does his homework a little better lest he be in danger of misleading the House about my opinions, if nothing else. *[Interruption.]* He can withdraw his remarks whenever he wants.

I thank the Secretary of State for scheduling today's debate. Labour Members and, I am sure, Members right across the House are extremely grateful that after 18 months we have a debate about a Welsh matter on the Floor of the House. We did not have a substantive one, of course, about the Welsh aspects of the Parliamentary Voting System and Constituencies Bill, we have not had one about growth, and we have not had one about the disproportionate effect of cuts in Wales, but we are having one today, for which I am very grateful.

I asked the Library staff to look into when we last had such a long interregnum between substantive Welsh debates on the Floor of the House, but once they got back to the 1940s I told them to stop bothering.

Mrs Gillan: The hon. Gentleman will no doubt make absolutely every effort to ensure that the Backbench Business Committee, which is now responsible for scheduling our St David's day debate, allows us to have it. It did not do so last year, despite my letters to it and despite other Members appearing before it to ask for that debate. If we have that debate, we can cover all the matters that he mentions.

Owen Smith: With the greatest respect, I find it extraordinary that the Secretary of State should now view it as the job of the Backbench Business Committee to decide whether we have a debate on Wales. I am surprised that she should go to that Committee to request a debate, rather than go to her colleagues around the Cabinet table such as the Chief Whip and ask for a debate in Government time.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We are having a debate on devolution in Wales, so I am not quite sure whether a future debate is relevant. We ought to stick to the agenda.

Owen Smith: Indeed, and thank you, Mr Deputy Speaker.

Today's debate and the Silk commission are extremely important, and I welcome them for two reasons. First, they enable the discussion of issues of genuine magnitude. Part I of the commission's role on fiscal powers, and part II on the boundaries between the competences of Westminster and Wales, both cover enormously important issues that will have an impact on people in Wales in particular and across the rest of the UK. Secondly, the debate is important because it provides an opportunity to discuss the wider issue of the Union, to which my article referred, and the wider context in which the Silk commission is set. A lot of Members, particularly my right hon. Friend the Member for Torfaen (Paul Murphy) in his excellent contribution, have taken that opportunity. I wish to talk about that wider context.

Government Members, including the Secretary of State, have looked askance today at Opposition Members who have said that they are suspicious of the motivation that may lie behind some of the remarks that have been made, and perhaps even behind the Government's whole direction of travel with regard to the Union. We are seeing diminishing support from the Conservative party for the concept of the Union.

Those concerns are not plucked out of thin air, and they are not illegitimate. They are born of our reading and listening to comments made by Conservative Members, and of hearing comments such as those of the former Prime Minister, Sir John Major, who said that Scottish ambition was "fraying English tolerance". They come from reading the conclusions of the report commissioned by the Prime Minister, when he was in opposition, from the current Justice Secretary. It recommended that the only way to deal with the West Lothian question was to create an English Parliament with English votes on English issues, denying Welsh, Scottish and Northern Irish Members a vote.

Mrs Gillan *indicated dissent.*

Owen Smith: The Secretary of State shakes her head, but that was the conclusion drawn by a commission led by the Justice Secretary.

Mrs Laing: It hasn't been done.

Owen Smith: No, it has not been done, as the hon. Lady says. It is very good to see her today—I am very pleased that we have an English Member taking part in the debate, which is extremely important. However, I say to her that what came out of that report was a commitment in the Conservative manifesto and the coalition agreement, which has now been enacted, to begin a debate on the West Lothian question. We are concerned about the direction of travel and the trajectory that many Members now feel has been set.

In recent debates in Westminster Hall and elsewhere, many Members have referred rather aggressively to resentment felt by English constituents about the supposed unfair stipend or subsidy afforded to, and enjoyed by, citizens in Wales, Scotland and Northern Ireland. As Opposition Members have tried to point out today, that is not an unfair stipend, but a reflection of the accurate needs, born of the industrial heritage and present problems, of Wales, Scotland and Northern Ireland. Neither, as my right hon. Friend the Member for Torfaen mentioned, is it a reflection of the relative receipt of revenues in Wales versus parts of England where a needs-based formula already applies: for example, greater subsidy—if we want to use that word—and support is afforded to the north-east, the north-west and even the south-west than is afforded to Wales. It is legitimate, therefore, for us to voice our concerns about the Government's attitude to the Union. That is not scaremongering; it is merely a question and a set of observations on our part.

The other reason we are worried, of course, is that, traditionally, Conservative and Labour Governments have not been partisan in how they have addressed the constitution, but for the first time, judging from how the Parliamentary Voting System and Constituencies Act 2011 was addressed in this place, a partisan attitude has been taken to the constitution. I hold that view absolutely fully. It is a view that I have heard expressed on many occasions by Conservative Members, not in the House, but outside. They view the Act as being underpinned by partisan motivations, and I fear that we might be seeing a similar set of motivations here. I sense that the Tory party has been seduced by the prospect of hegemony in England in the long term, even if it means a truncated, fragmented UK. I, for one, as a Welshman and proud British citizen, do not want that to come about.

Alun Cairns: Speaking as a Conservative Member, I do not accept that point. In my mind, the purpose of the Silk commission is to provide accountability and stability for the long term, but the motives about which the hon. Gentleman talks were behind devolution in 1997, when it suited the Labour party in Wales, rather than Wales as a nation.

Owen Smith: I wholly dispute that. Devolution in 1997 was born of need and demand in Wales. It had been developing for a long time. It perhaps had not come fully to fruition in 1979, but by 1997 there was a clear demand for it, and that demand has thickened over the past 13 years, right through to the referendum, when we saw it greatly increased.

Alun Cairns: I am grateful to the hon. Gentleman for giving way; he is being extremely generous. If demand was so strong, why was there only a 50% turnout and 7,000 majority? That is how strong his demand was.

Owen Smith: Several Government Members have talked about what, to put it bluntly, is ancient history now and pointed to the size of the mandate and turnout, but we all know that politics is a precarious, parlous business. The Tory party clearly thought that it had a sufficient mandate at the last election. It did not get a majority, but nevertheless it is the ruling party. We have to bury that argument and move on. Right now, there is clear support for devolution in Wales, as was shown in the recent referendum. That is not in dispute. It ill behoves Government Members, who purport to support devolution, to keep dredging up these ancient concerns and this

ancient history, because, frankly, it gives us the suspicion that they still have not quite bought into it.

I have a second concern, which, actually, I share with some Government Members—even, perhaps, the hon. Member for Monmouth (David T. C. Davies)—about the constant, cyclical nature of the interaction between demands and desires, legitimate or otherwise, for additional, incremental powers in Wales, Scotland, Northern Ireland and even, perhaps, England. That is a problem. It leads to perpetual pressure for change and to very few instances in which we—legislators in this place and the devolved Administrations, which have their own particular locus—can put our foot on the ball and contemplate the broader picture, the country's longer-term trajectory. That is hugely important. The Silk commission ought to consider that wider context.

In particular, however, this House needs to consider that wider context and be the place in our country where we contemplate the aggregate impact of the changes to the particular discrete functions and powers of different parts of the UK and where we think long term about what the benefits and disbenefits might be. That is not to take an anti-devolutionist perspective, however. I am thoroughly committed to devolution and the principle of subsidiarity—pushing down power and democratic accountability as low as we can—which is why I talk in my excellent and recommended article for Compass about reinvigorating local government democracy in England, which would be a jolly good thing. However, I am also British—indeed, proudly so—and I feel that my values and those of the Labour party transcend national boundaries and the identity politics that stem from an obsession with national boundaries. My concern is that the wider picture—the longer-term perspective—is too infrequently considered in this place or, in particular, the devolved Assembly. I do not want Wales to be as politically peripheral in Britain as it is de facto geographically peripheral. I worry that at some point that will be the net consequence—the aggregate impact—of these things.

Let me turn briefly to some of the specificities of what Silk will consider. I will take only one—corporation tax—but for me, they all highlight the risk that we might face. Anyone picking up the *Financial Times* this morning could have read an article about Peter Robinson, the First Minister of the Northern Ireland Assembly, who has advocated adopting a 10% corporation tax rate to compete with the 12.5% rate in the south. My view is that this would be hugely difficult and dangerous. Although it might be advantageous for Northern Ireland in the short term, we should also consider the risk that it would necessarily lead to arbitrage between the two areas and to different pricing arrangements. If we had variable taxation bands between different parts of the mainland, we would certainly see arbitrage across the borders and we would need internal transfer pricing policy and legislation in this place and the other jurisdictions. Given the difficulties with legislative vehicles to deal with transfer pricing between European countries—the disaster, even—what on earth would they be like within the UK?

Westminster needs to hold the ring. Westminster needs to consider the risks. Westminster needs to be the place where this debate is thought about, in conjunction with the discrete and—from the perspective of the local jurisdictions—eminently reasonably changes that may be wished for. This place also needs to be where the broader economic context is considered, because, bluntly, some of the peripheral changes to taxation that we are talking about and that Holtham talks about—indeed, perhaps even the larger changes too—will not lead to the growth, jobs, wealth and opportunity that would be created by measures that the Government could be implementing right now, such as those in Labour's five-point plan.

Nick Smith: I congratulate my hon. Friend on his support for subsidiarity and decisions being made at the right level. The success of the Welsh Assembly, particularly in the last few months, has been based on its good ideas, such as the Welsh job fund and introducing local police support officers, all because people in Wales are fed up with the horrible attacks that we have seen from the Government.

Owen Smith: My hon. Friend is absolutely right. The Welsh Assembly has understood that in order to stimulate our economy we need a stimulus. We cannot sit on our hands and assume, as the Government do, that laissez-faire economics will drive economic progress in our country.

Mrs Laing *rose—*

Owen Smith: I will not give way; I am going to finish in a moment.

We need a stimulus, which is why the five-point plan that Labour has produced is absolutely what we should consider implementing. It is also why we should be celebrating what Carwyn Jones and the Welsh Assembly Government have done along the same, as it were, Keynesian lines.

I will conclude with the broader economic picture. It is for this place to bring the global and European context to bear in this debate. However, it is ironic that at a time when Members in all parts of the House are advocating greater collaboration and greater cohesion and integration of states' fiscal powers on the continent—it is particularly ironic that Conservative Members should be doing that at all—we in the UK are contemplating disaggregating those fiscal powers. That is a profound irony—one perhaps born out of the peculiarity of how our constitutional thinking has developed. It is for us—and, in particular, the Secretary of State for Wales and her Northern Ireland and Scotland colleagues—to ensure that those thoughts are brought to bear round the Cabinet table and to subjugate any party political interest beneath the national interest, for all our citizens right across the UK.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. There are three speakers to go, and we have 25 minutes left for them. If they can divide that time equally, that would be very helpful.

5.5 pm

Mrs Eleanor Laing (Epping Forest) (Con): I thank the hon. Member for Pontypridd (Owen Smith) for his kind words in welcoming me to the debate as the only Back Bencher not representing a Welsh constituency. I am here quite deliberately because I agree with the hon.

[Mrs Eleanor Laing]

Gentleman, as well as the right hon. Member for Torfaen (Paul Murphy) and, of course, all my hon. Friends on this side of the House, that it is this Parliament, the Parliament of the United Kingdom, that ought to debate matters concerning the Union. I am very much a Unionist, and I will never be anything else. If we start to draw lines and say that people who are elected to seats in Essex should not speak on Welsh matters, or that those who represent Cornwall should not speak on Scottish matters, we are negating the very concept of the Union, which most of us wish to defend.

I am sorry to see that the shadow Secretary of State, the right hon. Member for Neath (Mr Hain), is no longer here, because I have saved up all my political arguments to put to him across the Floor. He made some appalling remarks in his speech, but it is his right to do so. I can tell the House that, just as he has Scottish roots, my maiden name is Pritchard, and you cannot get much more Welsh than that. I do not think that my father ever set foot in Wales in his life, however, and I do not think that his father, or his father before him, did either. I must have some Welsh blood somewhere, but that is not the point.

The point is that we are the Parliament of the United Kingdom, and the devolution settlement that we have put together for certain parts of the United Kingdom affects all of the United Kingdom. It is like a tube of toothpaste; you cannot press one part of it without making an impression on the other parts. Anything to do with devolution, and anything that affects our constitution in any way, affects the whole of our country. There ought to be more Members from other parts of the United Kingdom here today, so that they might understand that we, as a whole, have responsibility for what happens in any part of the United Kingdom.

I also agree with the hon. Member for Pontypridd—this is getting disturbing—that the distribution of taxpayers' money to Wales, Scotland and other parts of the United Kingdom is fair because it is based on deciding which part needs the most input from taxpayers' investment in our country as a whole.

Owen Smith: On a point of fact, the distribution to Wales is not based on need—that is why we have long argued for a needs-based formula—but it is reflective of need.

Mrs Laing: I appreciate what the hon. Gentleman is saying. I do not believe that we should have a needs-based formula. I would always argue that the Barnett formula distributes taxpayers' money in a reasonable manner, even though it obviously needs to be reformed and brought up to date. Just as Newcastle does not require the same sort of taxpayer subsidy as Surrey, and just as the centre of Birmingham does not require the same amount as the leafy lanes of Kent, so it is important that we get the balance right in Scotland and Wales.

Jonathan Edwards: Does the hon. Lady recognise that London gets a higher percentage of public expenditure per head than any other part of the British state, including Wales?

Mrs Laing: Of course, because some areas of London are desperately in need of help from taxpayers' money. There are enormous areas of poverty, deprivation and need in London; that is why it happens. Of course it does. If the hon. Gentleman is not willing to be fair to people who live in London, why should the rest of the country be fair to his constituents?

That brings me to the other points made by the hon. Member for Pontypridd and the right hon. Member for Torfaen. Although I would argue that the distribution of taxpayers' money is currently done fairly, the democratic balance between different parts of our United Kingdom has not, until now, been fair. It is totally outrageous that the hon. Member for Pontypridd should describe as "shameless gerrymandering" the equalisation of constituencies. In what way is it democratically fair that Pontypridd has 58,000 electors, Torfaen 61,000 and Neath 57,000, while the Secretary of State's constituency has 70,000 and mine has 72,000?

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We are debating devolution, not constituency size. We are in danger of dragging the debate somewhere we should not be going to at this time of the evening.

Mrs Laing: Of course, Mr Deputy Speaker. I was merely illustrating the balance of fairness, and saying that if we are to distribute funds fairly, we should distribute democracy fairly, too. Many Opposition Members have made that point this afternoon, and it was time for it to be corrected. I am glad you allowed me to do so, Mr Deputy Speaker. I appreciate that we have had a long debate and that Opposition Members still wish to speak, so I shall be brief.

The constitutional development of our country is ongoing and continuous. Like other Members, I was not in favour of devolution to begin with, but I have come to realise the benefits from having devolved government, so I warmly welcome the Secretary of State's setting up the Silk commission. This is a genuine commission. The Secretary of State has made it clear that she has no "pre-conclusions" about what the Silk commission should do or where it should go. Just as the Calman commission did an excellent job for Scotland, resulting in the Scotland Bill, I am sure that the Silk commission will do the same for Wales.

It is important for the commission to look seriously, as I am sure it will, at the issue of accountability as its first duty. Democratic accountability obviously comes through accountability for spending money and therefore for raising money. At present, the settlement in Wales gives the power to spend without the responsibility to raise taxpayers' money. I argue that accountability is possible only if there is a link between the casting of the vote, the paying of the taxes and the outcome of the election.

Owen Smith: Is not the logic of that argument that all spending should be devolved to Wales in order for it to be fully accountable, or is it enough for just a tiny fraction of spending to be devolved? Does that take the trick?

Mrs Laing: No, that is not the logic at all. If the hon. Gentleman argues in that way, he is arguing against himself. He agrees with me and with many of his hon. Friends that it is this Parliament that represents the whole of the United Kingdom, so this Parliament must

have the responsibility not only for raising most taxes but for spending them. He has argued, as have others, that devolved Assemblies and Parliaments must bear responsibility as well as wielding power. As I say, if that is his argument, he is arguing against himself.

Mrs Gillan: My hon. Friend is making a valuable contribution to the debate. It is interesting to note that regional-level Governments in other countries raise a percentage of their own expenditure. For instance, in Germany regional Governments raise 56% of the 63% that is spent, and in Spain they raise 23% of the 49% that is spent.

Mrs Laing: As ever, I thank my right hon. Friend. Those examples illustrate my argument extremely well.

There is no doubt that there cannot be proper accountability without a well-constructed democratic system involving fiscal responsibility as well as democracy. At present Wales benefits enormously from public spending. The public expenditure cuts in Wales are considerably smaller than cuts in the rest of the United Kingdom, and public spending is currently 12% higher. As I have said, I entirely support that position. No one is trying to do Wales any harm; quite the opposite.

I am pleased that my right hon. Friend has given the Silk commission the duty of examining the future scope of devolution. Wales can learn much from what has happened in Scotland. There is a significant difference between the situation in Scotland and the situation in Wales because Scotland has, historically, its own legal system and other institutions that Wales does not have—I say that as a Scots lawyer who is perpetually confused by English law when we discuss it in the House—but the commission is nevertheless likely to bring Wales great benefits for the future.

5.17 pm

Huw Irranca-Davies (Ogmore) (Lab): I had intended to speak for about an hour, but I probably intervened for about an hour instead, all told, and I apologise to my colleagues for that. I shall therefore make my speech as short as possible.

The hon. Member for Epping Forest (Mrs Laing) opened her speech by saying that she was she was a proud Unionist. I would describe myself as a proud Unionist as well, but also as a proud devolutionist. I am a Unionist not on the basis of any ideology or fixed arbitrary principle, but in recognition that—as in the old trade union cry, "Unity is strength"—the constituent parts of the United Kingdom together add not only to social cohesion but to economic activity, and to our political clout on the world stage. That should be recognised in today's debate.

The theme that I want to adopt in my brief speech, and to convey to members of the Silk commission if they hear today's debate, is that we should not be talking about loosening ties. Instead, we should engage in a mature debate, recognising that there is a positive, welcome tension between our Government and the Governments in Scotland, Wales and Northern Ireland—although I must add, perhaps to the disappointment of my colleagues in the Plaid Cymru camp, that that is not necessarily a recipe for independence. I think that we carry much more clout if we work together. If devolution constituted a settlement, I think that on the basis of today's debate we can all agree that it is still settling. If it is a process, I think what we have learnt from the debate is that we need to know where it is processing to.

Let me begin by paying tribute, as others have done, to the calibre and quality of the members of the commission—not least the political appointees, but in particular Paul Silk. He will be known to my right hon. Friend the Member for Torfaen (Paul Murphy) and other Members not just because of his extensive experience, but because he was a House of Commons Clerk for nearly 25 years during three different periods. He is also a former Clerk of the Welsh Grand Committee. He has lectured and written extensively on Parliament and the constitution; he co-authored the seminal book, "How Parliament Works". I think we can all agree, therefore, that no one better appreciates the very sensitive balance of our constitutional settlement.

Professor Nick Bourne was a colleague of mine—not political, but academic—at Swansea Institute in my lecturing days. He was also shadow Minister for Finance and Public Service Delivery, in addition to his role as Leader of the Opposition. I am sure he will also make a good contribution to the Silk commission.

Sue Essex is very well known, and there is a huge amount of cross-party support for her on a number of issues. She is a former Minister for Finance, Local Government and Public Services. She is clearly of high calibre, therefore. Dr Eurfyl ap Gwilym is an economics expert and a long-standing adviser to Plaid Cymru. He has for many years advocated revisiting the Barnett formula. Rob Humphreys has been a strong advocate of devolution for many years, and was also a member of the all Wales convention. The Silk commission is in good hands with them and its other members.

My right hon. Friend the Member for Torfaen gave a warning about a possible Trojan horse. I welcome the fact that we are debating this subject today and that the Silk commission will undertake the work assigned to it, but I suggest to my right hon. Friend that the danger is not so much of a Trojan horse, but of a horse and trap, in that this could lead us into a trap.

The Secretary of State must understand that concern; these are not idle worries. Although there is significant merit in addressing the two matters that the Silk commission will examine—power and fiscal responsibilities—there is a worry that Wales will be done down. To her credit, the Secretary of State has made it clear today that she does not want that to happen, but there is a great deal of concern among Opposition Members that we might end up in that situation, particularly given the coalition's approach to constitutional affairs since it was formed. The concern is that this process will not be about looking after the best interests of the people of Wales, or even the best interests of the institutions of Wales—that is, in fact, a decidedly secondary consideration—but that instead it will be a way to look as if we are giving with one hand, while in reality taking away with the other. That is a concern, and we must monitor what happens.

Although I welcome today's debate, it must not be the only one on this topic. We must find opportunities to address it in the Welsh Grand Committee or a different forum, because we need to discuss the burning issues of the day facing Wales, such as the state of the

[Huw Irranca-Davies]

economy and of society and, as I see in my constituency, the attacks on our communities.

My family has not consistently been on the same side in the devolution debate. My late uncle, the Member for Gower for many years, was a strong defender of the status quo back in 1979, along with many other notable people at that time. Times move on, however, and it is right for us to address this issue again as things progress, and we must also acknowledge that it involves not only the Wales question but the England question too. That also needs to be addressed. I should add that I welcome the involvement of England MPs in today's debate, and that engagement must continue and deepen.

The England question becomes more important the more Scotland considers its powers in respect of fiscal autonomy and other areas, and the more Wales considers such matters too. If we do not address the England question, there will not only be political asymmetry in the old Celtic and Pictish nations; there will also be asymmetry here in England.

Through the years, numerous suggestions have been made as to how to address the England question, and many of them have been rejected out of hand. The idea of having an England-only Parliament has been proposed, as has the idea of restricting the ability of Welsh, Scottish and Northern Ireland MPs to "interfere", as some would say, in England-only matters. As we have learned in today's debate however, there appears to be a general consensus that it is pretty hard to identify England-only matters, and it is also hard to identify Wales-only matters. We need to speak loudly in defence of the ability of this place to continue putting its opinions forward strongly on all matters.

Alun Cairns: The hon. Gentleman is making an important point, which I think is recognised on both sides of the House. Does he think that that principle also needs to apply to his colleagues in the Welsh Assembly, and that they should recognise that the decisions that they take affect policy making here? There therefore needs to be dialogue between the Welsh Affairs Committee and Ministers in Wales, between Back Benchers and Ministers, and between Ministers here and Ministers in Wales.

Huw Irranca-Davies: Indeed. People who, like me, are very positive about devolution welcome such maturity and two-way engagement. We should look for ways to enhance that. That is to do with respect and, as I said earlier, that respect goes both ways.

Mrs Laing *rose—*

Huw Irranca-Davies: I am sorry, but I will not give way because I need to leave enough time for another person to speak.

I will try to fit in another couple of key points in one minute. We are looking at the reverse of the Boston tea party—the "No representation without taxation" principle. Perhaps that could be called the Bangor tea party, or the Barry tea party. It has been asked what proportion of the fiscal arrangements is needed for financial accountability. Is it a tiny element and just tinkering around the edges, or is it more substantial? I ask the Secretary of State to expand on the timetable. She said something about it in her opening remarks, but it seems to be in the medium grass, if not the long grass. Perhaps she can say something a little more concrete about when the commission will report and when we might see something in Parliament.

A critical factor that has been mentioned several times is the Holtham commission. It has been praised repeatedly by Conservative Members. In that case I say to them, and to the Secretary of State, let us get on with implementing it, regardless of waiting for the Silk commission. We would do a great service to the people of Wales by implementing it right now. The point has been made that Wales is not over-subsidised compared with other parts of the UK. That has long been a myth, but we are not, we are not, we are not. All we are calling for is fair treatment. Implementing the Holtham report would help us to copper-bottom that.

To add an element of caution, what we do not of course want at the end of this commission is what we might refer to as "Silk cuts". We want an enhancement for Wales, not a diminution of our financial power or democratic clout.

Finally, the Assembly is only just over 10 years old. It is still, by the standards of democratic institutions, something of a stripling. Let us take these decisions wisely, cautiously and with careful consideration. Just as devolution had many fathers, some of whom were in this House, we need to be engaged as this process goes forward.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Before I call the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards), I suggest that he can speak until 28 minutes to 6, because of everything that has gone on.

5.28 pm

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): I am very grateful, Mr Deputy Speaker. I have curtailed my speech a fair bit because of the time constraints, but I am not too upset because most of it was trailed in *The Western Mail* this morning. I have no idea how it got there, but perhaps it was lucky that it did.

This is a timely debate and I congratulate the Secretary of State on securing this time on the Floor of the House, because the nature of the British state is clearly changing. The strength of the yes vote in March has given huge momentum to the growth of the political autonomy of our country. Events in Scotland, with the historic victory of the Scottish National party in May, mean that there will be a referendum in the next three or four years on independence for Scotland. I am not a betting man, but I know where I would put my money if I was. There will be serious repercussions for the British state. We know that it will be a multi-option referendum. Even if the SNP does not win the referendum, and I am increasingly convinced that it will, there will be a devolution-max settlement.

There is currently a dual process on the funding of Wales with the Silk commission and the bilateral negotiations on the reform of the funding formula. It is important that we have progress on the latter as we discuss the former, and that the debate is as open as possible. Three parties are included in the debate on the important issue of Barnett reform: the Labour party,

which leads the Welsh Government, and the Lib Dems and the Conservatives, who lead the UK Government. We have been excluded. The information on that debate needs to be open and we need to hear about its progress before we start talking about the fiscal measures that the Silk commission will address.

My party fully agrees with the points made by the Secretary of State and Tory Back Benchers about accountability. Before I came to this place, I served as a town councillor in Carmarthen. We were responsible only for very local matters, but we had taxation powers. For the life of me I cannot understand why anybody would oppose giving the Government of Wales similar powers, as this would, not least, focus the minds of Assembly Members on wealth generation, which is very important. If we are serious about creating a more prosperous and just society, we have to focus on wealth generation, as do the Welsh Government. Giving them tax-raising powers would make them focus more on such issues and on some of the give-away processes that we are seeing at the moment.

Taxation powers and borrowing go hand in hand, and I am grateful that the Silk commission will be able to look at borrowing powers. In a situation where we will have a varying income stream as a result of having taxation powers, borrowing is the best measure for smoothing out those differences, and it is right and proper that the Welsh Government will be able to have those powers if the commission so recommends.

We know that there are two phases to the commission, the first of which will examine taxation powers. We have been scouring the world for best practice in federal states, and I do not think that there is anything new about what is on the agenda. There are many examples from across the world that we could use to best effect in Wales. Any submission that my party gives will be a compromise, because clearly our policy is for the devolution of all taxation matters ultimately. However, we will be trying to engage with this process constructively and we hope that parties from across the spectrum will engage in the same manner.

The second phase of the commission will examine further areas of power. The Parliamentary Voting System and Constituencies Act 2011 has given added momentum to this, because we know that we will lose a quarter of our Members of Parliament. Unless further areas of power are devolved to the Assembly there will be a democratic deficit, because there will be fewer Members scrutinising decisions made on Wales. We argued during consideration of that Bill, with those on the Labour Benches, that it was not proper to cut the number of Welsh seats based on the referendum result. All the referendum did was enshrine sovereignty over current devolved matters. I still hope that Lib Dem colleagues might rebel when the matter comes back to the House and I might be able to keep the constituency of Carmarthen East and Dinefwr. If not, and if my fantastic constituency and the fantastic constituency of Arfon disappear into the annals of history, further fields of power need to be devolved to the Assembly to avoid that democratic deficit.

My last point relates back to my intervention on the Secretary of State. I was grateful to receive a very detailed response, as I did not think I would. If there is a consensus on the commission between the political parties and among civil society, there needs to be a clear process map to make the recommendations become law.

5.32 pm

Nia Griffith (Llanelli) (Lab): We have had a long and full debate, and we have wandered over many subjects. We heard the hon. Member for Monmouth (David T. C. Davies) ensure that we heard a plurality of views. In his own completely inimitable style he told us that the Silk commission should have a remit to consider clawing back powers from the devolved Administration. That view must be unique to him.

Mrs Gillan: The Silk commission can look at the boundaries, and that means adjustments in either direction.

Nia Griffith: I thank the Secretary of State for that clarification.

My right hon. Friend the Member for Torfaen (Paul Murphy), a former Secretary of State for Wales, spoke with passion and conviction, standing up firmly for Wales and pointing out the deep mistrust of the current Government's attitude to Wales, which is exemplified by the roughshod way in which Ministers are cutting the number of Welsh constituencies from 40 to 30. That fuels deep suspicions about what the Government's motives are for setting up the Silk commission.

My hon. Friend the Member for Caerphilly (Mr David) stressed the need for a pragmatic approach that brings power nearer to the people but which does the best for the people of Wales. The hon. Member for Arfon (Hywel Williams) referred the Silk commission to his private Member's Bills, the Bilingual Juries (Wales) Bill and the Jobcentre Plus (Wales) Bill. The hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards), who had very little time, unfortunately, urged the Lib Dems to rebel on the constituency boundary issue.

My hon. Friend the Member for Ogmore (Huw Irranca-Davies) stressed the importance of this Parliament in taking decisions for the whole UK and urged that we move forward wisely, cautiously and with careful consideration of the issues. The hon. Member for Brecon and Radnorshire (Roger Williams) pointed out the importance of the Calman commission and stressed the excellent credentials of its members, and his words have been echoed by many hon. Members.

The hon. Member for Aberconwy (Guto Bebb)—I am not sure whether he is listening—stressed the importance of accountability and talked about practicalities. He spoke of the importance of treating businesses across the whole UK equally, but he then talked about different national insurance rates, so I am not sure quite where he was coming from.

The hon. Member for Vale of Glamorgan (Alun Cairns) talked about the need for stability and there being no further changes for a generation. He stressed the need for the Silk commission to consult effectively and to reach out to those who have not been effectively engaged before, pointing out concerns about the volatility of some taxes. The hon. Member for Epping Forest (Mrs Laing) reaffirmed her strong Unionist credentials and welcomed the commission, which she sees as an important step towards accountability.

My hon. Friend the Member for Pontypridd (Owen Smith) referred to the difficulties of having continual

[Nia Griffith]

change and to the need to take a long-term view. He also stressed the need for economic stimulus, as set out in Labour's five-point plan, and pointed out the measures that the Assembly Government are taking to implement elements of that in the areas for which they have responsibility, such as with the successor to the future jobs fund—the jobs growth fund—and with some investment in infrastructure, where they are able to do so.

The Opposition very much welcome the establishment of the Silk commission and the important tasks it has to do. Its first task is to review the case for the devolution of fiscal powers and to recommend ways in which the financial accountability of the Welsh Assembly could be improved. It will no doubt refer to the work done by the Holtham commission in its analysis of some of the possible ways of transferring revenue-raising mechanisms to Wales. It can examine the practicalities and the likely consequences of implementing any such measures. We should not underestimate the complexity of this issue or the dangers of people being, quite naturally, tempted to play the system by switching from one side of the border to the other. That issue has been mentioned by several hon. Members, particularly my right hon. Friend the Member for Delyn (Mr Hanson). Most importantly of all, the Silk commission will need to consult and take account of public opinion. It is vital that a move towards any change has the support and backing of the people of Wales.

We are disappointed that the Secretary of State has decided to make setting up the Silk commission a priority over tackling the challenge of delivering a fairer funding system for Wales—an issue that is specifically excluded from the commission's remit. If her Government were really interested in delivering the best for the people of Wales, they would have made it a priority to introduce the so-called Barnett floor—a concept that was explored in the Holtham reports and adopted by Labour in our 2010 manifesto as the most practical and immediate step to protect funding to Wales.

Roger Williams: Does the hon. Lady agree that the floor has less applicability in these straitened economic times than it would if there were an expanding economy?

Nia Griffith: As the hon. Gentleman will have heard my right hon. Friend the Member for Neath (Mr Hain) explain, we are at a tipping point. Until now, the Barnett formula has served the people of Wales well, but from this year onwards the balance will tip slightly in the other direction. Putting a floor in would offer additional protection and would be a straightforward measure. It could be implemented with the agreement of the Treasury and without having to go into the difficulties of trying to work out a needs-based analysis, which is much more complex but is something that we might wish to see in the long term. So, as Holtham identified, the Barnett formula has served Wales well up to now, but if nothing is done it will begin to disadvantage Wales. The whole point of putting in the Barnett floor is to prevent that from happening and to protect funding. The Holtham commission recommended moving to a needs-based analysis, and it produced evidence of how a needs-based funding system could be made to work in a way that is fair to all parts of the United Kingdom. In its second report, it demonstrated that a needs-based funding formula that is fair to Wales would deliver £117 to Wales for every £100 that is spent in England on devolved activities. It recognised, too, that moving to a needs-based formula would take time but, in the meantime, the Barnett floor could protect Welsh funding. Instead of making that a priority, as it could be implemented quite easily, the Secretary of State has set up a commission that specifically will not consider the issue of funding reform.

Mrs Gillan: It is being done bilaterally.

Nia Griffith: I hope very much indeed that that bilateral work is progressing quickly and effectively.

It is small wonder, given the Conservatives' track record on devolution, that many Opposition Members have expressed suspicions about the Government's motives for setting up the Silk commission. There are suspicions that the Government might be trying to sell Wales short and push through measures that would seriously disadvantage Wales. The concentration of wealth creation in London and south-east England means not only in Wales but in Scotland, Northern Ireland and the other regions of England that public expenditure is greater than the income from those areas, which are all net beneficiaries of the UK tax regime, while London and parts of the south-east and East Anglia are net contributors.

That is for historical reasons, including the early emergence of London as the commercial capital and its importance as a world financial centre, and it is in contrast to other European countries, where the importance of the city state and, much later, unification has produced different patterns of wealth distribution. The disparities have existed in the UK for many years: they are deeply embedded and cannot simply be eliminated by a few years of regional policy or European funding, helpful as that is to compensate for the differences. Nor can they simply be eliminated by substantial growth in the private sector, vital as that is to Wales and across the UK.

With such deep-seated historical differences in wealth distribution, complete financial independence for Wales, as advocated by Plaid Cymru, is an absolute non-starter. With a gap of £14.6 billion between public spending and the revenue raised in Wales, it would mean every man, woman and child in Wales contributing an extra £4,800—nearly £5,000 each a year just to maintain current levels of spending.

Jonathan Evans: The Labour party has been using those figures quite heavily today, and it has based them on the Holtham report, but that is misleading. The report indicates a gap of £6 billion. Will the hon. Lady correct that statement and the statements of the right hon. Member for Neath (Mr Hain)?

Nia Griffith: Those figures were recently provided by the House of Commons Library, on 2 November, and I am sure that it has checked them thoroughly.

We are suspicious about the Government's motives in setting up the Silk commission, whose remit excludes fair funding. It looks as if the Government might be using it as a back door to cutting funding to Wales, or seeking to adopt measures that could leave Wales subject

to fluctuations in funding that would be impossible to cope with. The Labour party will strongly resist any moves that would disadvantage Wales.

Many people have been puzzled by the timing of the debate, as the remit for the Silk commission has already been set, so it did not offer an opportunity to influence its terms of reference. Perhaps, when the commission has had a chance to study the issues, it may wish to seek views or raise questions in an interim report, and that would be a more appropriate time for a debate. Having the debate now, before the commission has even begun its work, but after the terms of reference have been decided, is somewhat bizarre. *[Interruption.]* I think that the Secretary of State is trying to intervene, but the point was well made by my right hon. Friend the Member for Torfaen that that does make us question the reason for the debate.

Mrs Gillan: I should like to inform the hon. Lady and the House that the terms of reference were agreed with the Labour party in the Assembly.

Nia Griffith: The irony being that today we have discussed the importance of Parliament; many Government Members have referred to the importance of the commission being set up by Parliament.

Alun Cairns: Will the hon. Lady give way?

Nia Griffith: No, I think that I have made my point. Opposition Members felt that they would have had more chance to influence things if the timing of the debate were different.

Up and down Wales, as far as the person in the street is concerned, the Silk commission is set up and can get on with its work. What those people are worrying about today is the empty order book in their company, the shops that are closing in their high street, the cuts in their council services, losing their job or their home, their children not being able to find work, and the daily struggle to make ends meet as prices for essentials such as food, vehicle fuel and energy bills spiral upwards. They understand something that the Government seem to have forgotten—that before the Government can raise any revenue or talk about any formula to distribute it, they need wealth creation. Indeed, what is the point of talking about taxation without wealth creation?

This week the Government have sent completely the wrong message to potential investors in Wales. Only days after the head of Tata Europe told MPs that he has been having serious doubts about future investment in Wales because of this Government's lack of a long-term manufacturing strategy, the Government confirm his doubts by trying to sneak out in a written statement yet further cuts to the feed-in tariff scheme, with devastating effects on the industry. This is not about feed-in tariffs. This is not just about manufacturing industry. This is about raising the proper revenue and then being able to do something with it. It is about wealth creation, setting the right long-term strategies that will encourage manufacturing to come to Wales, attracting the investment that we need and providing the wealth so that we can talk about what we do with it. *[Interruption.]* I still have two minutes to go, I believe.

Why do we remain wary of the Government's motives and suspect that they might be setting up the Silk commission to try to reduce funding to Wales? Because daily we see funding being sucked out of Wales, whether in higher VAT, the change from the retail prices index to the consumer prices index for the calculation of pensions and benefits, or the winter fuel allowance being cruelly cut for the over-80-year-olds from £400 to £300 this month, leaving many worrying about whether they can afford to put the heating on. It is this sucking money out of Wales that worries us considerably.

Although we welcome the Silk commission, wish it well with its work and look forward to debating its findings, in the meantime I again ask the Secretary of State to make it a priority to establish the so-called Barnett floor to protect funding for Wales, and I urge her Government to adopt fiscal policies that will stimulate the economy in Wales.

5.46 pm

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): This has been an important debate and, as it turns out, one that is particularly well timed because the Silk commission will hold its first meeting tomorrow. I am sure right hon. and hon. Members in all parts of the House will wish it well, and that the members of the commission will be grateful for the opportunity to take into account the numerous points that have been made by Members on both sides of the House this afternoon, not only on the commission's work but on the matters that it should take into consideration when arriving at its conclusions. I am pleased that so many hon. Members were able to contribute to the debate today and make a variety of important points that I am sure the commission will find extremely valuable.

As the Secretary of State pointed out, this is a Government who have delivered for Wales. Despite the doubters and the nay-sayers, we delivered the referendum on primary legislative powers for the Assembly in March and now we are taking that further by delivering on our coalition commitment to establish a commission to consider, first, the question of the financial accountability of the Welsh Government and of the Welsh Assembly, and secondly, the powers of the Assembly, and to recommend modifications to the present constitutional settlement that may enable Welsh devolution to work more effectively within the context of the United Kingdom.

It is timely that the commission should start this work now. The Welsh Government spend some £15 billion of public money each year. They and the Assembly now have considerable powers, which extend to primary law making in the devolved areas. It is widely accepted not only in the Chamber but outside that that level of power should be matched by accountability to the people of Wales for the money that those institutions spend on their behalf. The issue of financial accountability is a hugely important part of the Silk Commission's remit. Seeking to build consensus around the extent and form of accountability is a challenging aspect of that remit.

The second part of the commission's task, which will commence towards the end of next year, is also important. By then, Wales will have experienced more than 13 years of devolution. People will have had considerable time to assess whether the suite of powers vested in the Assembly and in the Welsh Government are working as well as they could be in the interests of Wales and, importantly, in the interests of the United Kingdom as a whole. It

[Mr David Jones]

will be an appropriate time to assess whether modifications to the devolution settlement should at least be considered, so the work of the commission is extremely important. As my hon. Friend the Member for Vale of Glamorgan (Alun Cairns) pointed out, we will need to listen carefully to the views of people across Wales and the United Kingdom and seek to establish a consensus on the way forward. I am sure that Members' interesting and varied points will be extremely valuable to the commission as it starts its important work.

Huw Irranca-Davies: I am trying to get my head around the idea of the level of financial devolution that will give accountability to the Welsh electorate. In local authorities it is typically up to 20%. Do Ministers envisage such a figure, or 2% or 3%?

Mr Jones: My right hon. Friend the Secretary of State has already indicated the levels of fiscal accountability that are devolved in other parts of Europe. Ultimately, these will be matters for the Silk commission, which, as the hon. Member for Arfon (Hywel Williams) pointed out, will no doubt take into account what prevails in other parts of Europe in arriving at its conclusion, as it should.

In the brief time remaining, I will respond to the various points made. The shadow Secretary of State has explained to me the reasons for his absence, which we fully understand. He was less than enthusiastic about the commission, giving it a "cautious welcome", which was as cautious as it gets and gave a whole new meaning to "welcome". Resorting to the oldest rhetorical trick in the book, he set up the straw man of "devo-max", under which Wales would be responsible for raising all its own revenue. He seemed to suggest that the commission's recommendations might result in Wales having to raise all its own revenue, as a consequence of which public spending would be halved. I hope that it is unnecessary to point out, but I shall anyway, that the people of Wales should ignore these scare tactics.

Alun Cairns: Will my hon. Friend give way?

Mr Jones: I shall not, as I have very little time left. I am sure my hon. Friend understands.

Fiscal devolution will work only where there is consensus on the powers to be devolved and in circumstances where the transfer of powers does not put unsustainable burdens on either the devolved Administration or the UK as a whole.

The shadow Secretary of State and other hon. Members mentioned Holtham and inquired why it was not being brought within the remit of the Silk commission. Separate bilateral discussions continue between the Government and the Welsh Government on all the Holtham commission's proposals, including the idea of a funding floor and its wider proposals for reforms—an approach supported by the Welsh Government. The Government and the Welsh Government have started discussions, which will include work to gain a shared understanding of trends in Welsh spending, of previous studies on Welsh needs and of the operation of existing borrowing powers. Once consideration of spending trends and previous needs studies has been completed, and subject to Government and Welsh Government Ministers agreeing that a problem exists, the next step will be to look at options for reform. I put that on the record because of the concerns that right hon. and hon. Members expressed.

I believe that we must rely on the good sense of the commission, which will seek to find consensus—I make no apology for repeating the word because it is crucial to the commission's work—on the extent to which the Welsh Assembly and Government should become more financially accountable.

I found the shadow Secretary of State's negativity and tribalism most disappointing, and it was not typical of the debate. He appeared to have little or no faith in the capacity of the people of Wales to run to any extent their own financial affairs and, perhaps more importantly, to decide whether at an election a politician is making an unsustainable promise, which of course is crucial to what it falls to us to consider.

I found the contribution of my hon. Friend the Member for Monmouth (David T. C. Davies) disappointingly and uncharacteristically cynical. [Hon. Members: "Oh!"] I have to say, I found it quite hurtful. He said, almost in terms, that the conclusions of the commission were a fait accompli that would lead inevitably to more powers for the Assembly, but the commission has been asked to consider the boundaries of the devolution settlement and modifications that could work well for the benefit of Wales within the United Kingdom.

I am sorry that the right hon. Member for Delyn (Mr Hanson) is not here, but he made the important point that significant cross-border issues fall to be considered, and it is well within the commission's remit to decide that in certain cases powers should be repatriated from the Assembly. That is what the Calman commission found in its consideration of the Scottish devolution settlement, and it is quite open to the Silk commission, which has a wide-ranging remit, to do so, too, so I hope that that offers some reassurance to my hon. Friend—who looks very reassured, I am bound to say.

The right hon. Member for Torfaen (Paul Murphy) praised the excellence of the commission members, and I feel it appropriate to echo that praise: we have a very well constituted commission. He raised the spectre of a Trojan horse, however, and doubted whether there was any real consensus on the commission, so I think it fair to point out once again that all the party leaders in the Assembly, including the Labour First Minister, co-operated in agreeing the commission's terms of reference, and each party has a political appointee on it. I hope that gives the right hon. Gentleman some reassurance that it is not by any means an evil Tory Trojan horse; it is a genuine attempt to see whether it is possible to arrive at a settlement that will benefit the people of Wales in the long run.

The right hon. Gentleman also raised the issue of whether there will be a referendum on additional tax-raising powers, but that very much depends on what the Silk commission itself recommends. I for one find it hard to see how, for example, if there were recommendations on any significant changes to income tax, it would be possible to go forward without consulting the people of Wales as to whether that was what they wanted; after all, that is what happened in Scotland, and I have no doubt that it should happen in Wales.

The hon. Member for Brecon and Radnorshire (Roger Williams) took considerable credit on behalf of our

Liberal coalition partners for the establishment of the commission, but I have to point out that it was a joint coalition commitment and one to which the Conservative party is very much wedded. He, too, praised the excellence of the commission members, and he paid tribute to Nick Bourne, the Conservative nominee. I can only echo the hon. Gentleman's view that Professor Bourne will be an excellent member of the commission.

The hon. Member for Caerphilly (Mr David) did give a welcome, which I believe was genuine, to the commission, and I was very pleased to hear it, but he referred to the terms of reference and queried the reference to the United Kingdom's wider fiscal objectives, pointing out that we live in a time of stringency that has resulted in spending reductions. Well, of course, it has, and I will not intrude into his private grief by pointing out the reason why we have to cut our public spending, but nevertheless it is quite right that whatever the commission decides should operate within the wider fiscal objectives of the United Kingdom as a whole.

There were excellent contributions also from my hon. Friend the Member for Aberconwy (Guto Bebb), the hon. Member for Arfon, my hon. Friend the Member for Vale of Glamorgan (Alun Cairns), the hon. Member for Pontypridd (Owen Smith) and my hon. Friend the Member for Epping Forest (Mrs Laing), who came up with a memorable toothpaste tube metaphor, which I shall use regularly when talking about the effect of devolution on the United Kingdom. There was also a supportive contribution from the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards).

This has, as I say, been—

6 pm

Motion lapsed (Standing Order No. 9(3)).

Female Genital Mutilation

Motion made, and Question proposed, That this House do now adjourn.—*(Stephen Crabb.)*

6 pm

Jane Ellison (Battersea) (Con): I am grateful for the opportunity to raise this important issue again in the House. Female genital mutilation—FGM—affects millions of girls and women around the world, including here in the UK. My remarks this evening are focused on FGM in the UK, and what we can do to prevent it.

FGM is a gross violation of girls' human rights, and is nearly always carried out on minors. In the UK, the girls most at risk are usually aged between eight and 12, but are often much younger. We should therefore be clear from the outset that FGM is a form of child abuse. FGM is defined by the World Health Organisation as the full or partial removal of, or injury to, the external female genitalia for non-medical reasons. Although it occurs in countries across the world, it is particularly prevalent in sub-Saharan Africa. There are no benefits to FGM. Indeed, quite the opposite is true. The girl's health is damaged for ever.

There are various types of FGM, but the most extreme, which is the most common in larger FGM-practising communities settled in this country, is type 3. That is total removal of the victim's external genitalia. The girl is then infibulated—effectively sewn up. I am sure that hon. Members can imagine the dreadful impact of that on the quality of life and the health of those girls in childhood, and the long-term damage to their sexual and mental well-being.

It is a source of great frustration to those who campaigned against FGM for many years that the UK has in place everything that might reasonably be expected to be needed to end FGM in this country, yet it continues and is apparently a growing problem. The necessary legislation is already on the statute book. FGM has been illegal in the UK for more than a quarter of a century under the Prohibition of Female Circumcision Act 1985, which was strengthened in the Female Genital Mutilation Act 2003 by making it illegal to take a girl abroad for cutting, as FGM is often referred to colloquially. Indeed, new guidelines for prosecuting the perpetrators of FGM were published here only this autumn.

As well as having the right legislation, the UK has a solid child protection framework in place which, on the whole, does a good job of protecting vulnerable children from other forms of abuse. The Government have recently published fresh multi-agency guidelines to aid professionals —for example, teachers, social workers and health workers—to identify children at risk and what steps must be taken to assist them. Despite that, all the anecdotal and medical evidence suggests that FGM is a growing, not a diminishing problem here. Why is it proving so difficult to right this wrong?

First, to meet the challenge, we need to know its scale. As part of the Mayor of London's strategy to tackle all forms of violence against girls and women, the Greater London authority will shortly publish a policy document on addressing harmful practices in London. It will focus on, among other things, FGM. That report and others identify the fact that the lack of up-to-date figures is a significant stumbling block in efforts to tackle the problem.

[Jane Ellison]

Most of the FGM data for the UK that inform most parliamentary speeches, media articles and reports, including that from the Greater London authority, comes from a respected 2007 study by the charity FORWARD—the Foundation for Women's Health, Research and Development. This report extrapolated data from the 2001 UK census, and its finding were startling, even then. Over 174,000 women residents in the UK had been born in an FGM-practising country. The estimated number of maternities in England and Wales in women with FGM stood at just over 6,000 in 2001 and had increased by 44% to just over 9,000 in 2004. FORWARD estimated that by 2009, that figure would be around 7,000 in London alone. Those are astonishing figures. That study is sound, but it is based on decade-old data.

As the Minister will know, with the trends in migration to this country over the last decade, especially from countries with a high prevalence of FGM, such as Somalia and Ethiopia, one can only conclude that those figures dramatically understate the extent of female genital mutilation in the UK today. We urgently need to update the evidence base.

Another reason the evidence base needs to be updated is that FGM is adding to existing health inequalities for these girls and women. How many women are not attending routine cervical smear testing because they do not want to alert the authorities to what has happened to them? How many parents do not take their children to the local GP when they are unwell because they fear that an examination will reveal that the girls have been cut? If, as the evidence suggests, FGM is a growing problem in the UK, the burden that it puts on the NHS in the long run will grow to match it.

Valerie Vaz (Walsall South) (Lab): I thank the hon. Lady for bringing this debate to the Chamber. It is an extremely important subject, and she should be congratulated on the stance she has taken nationally and internationally. She is right when she points to the effects on the NHS. A midwife has shown me a video of the effects that FGM will have and what she needs to do when the women and young girls who have, in effect, been abused have to be cut again in order for them to give birth. It is having a huge effect, not only physically but on their mental state.

Jane Ellison: I thank the hon. Lady for that intervention. She is doing marvellous work to highlight this problem as well, and I know that she has seen recent evidence that was quite shocking and brought the problem into stark relief. I ask the Minister to consider, perhaps on a cross-departmental basis, supporting research to update the evidence base better to inform public policy in health, which the hon. Lady mentions, and in other areas. I understand that the FORWARD study cost about £30,000 to put together and that a more in-depth and qualitative report would cost in the region of £120,000.

Another area of major concern is that some professionals, especially teachers, are not confident enough of their role in protecting and supporting girls who are at risk. Although the multi-agency guidelines are excellent and we have a robust child protection framework in place, FGM remains under-reported. Recent feedback from a focus group with young women who had been affected suggested that not all professionals who deal with at-risk girls are clear about what they should do. Perhaps they do not feel that they can rely on the support of senior colleagues or that they have the political cover to step into what they perceive to be a cultural minefield. I very much welcome the current inquiry by the Select Committee on Education into how the child protection framework might be improved. I am pleased that the Committee identified FGM as a particular problem, and I have submitted evidence to its inquiry.

Since I have been speaking about this subject in the media over the past year—including on Radio 4's "Woman's Hour" in August—I have received a steady stream of letters and e-mails from around the country, many of them from retired teachers, telling me of their frustrations in reporting their suspicions about a girl who was at risk or had already suffered this abuse, but then finding that their information was not taken any further. This is child abuse, as the hon. Member for Walsall South (Valerie Vaz) says, and our professionals must feel that they can, and indeed must, speak up when they see the signs, and that once reported this information will be followed up swiftly by the relevant authorities.

Members will perhaps be astonished, as I was, to learn that one child who asked her teacher for help, saying that she was frightened that she was to be taken on holiday to be cut, was advised by her teacher to write a letter to an FGM charity. Perhaps some professionals feel that they cannot speak out because they fear that an accusation of racism would damage their career; I think that we, as politicians, can understand that fear. However, my argument is that by not protecting girls at risk of FGM, we are treating these girls less equally. If this abhorrent practice were happening routinely to little white, middle-class girls from long-settled parts of the community, would there not be a greater outcry among professionals, politicians and the media? There would be headlines every week.

While reflecting on the leadership role that we as politicians have, it is incumbent on all of us, as Members, to ask the difficult questions of our contacts in all communities and not to allow issues to be swept under the carpet, because some community leaders have issues that they do not want to talk about. I hope that when the Minister responds she will comment on whether information from front-line workers is being gathered and reviewed centrally to build up a clearer picture of patterns of behaviour—for example, recording school absences of at-risk girls.

On the subject of gathering evidence, I understand that the Crown Prosecution Service is in the process of collecting data on the FGM cases considered for charge. Everyone campaigning on this issue recognises the deterrent impact that just one successful prosecution would have. It remains a source of astonishment that there has not been one prosecution in the UK in the past 25 years, even though, throughout that time, a growing number of African and other European countries have secured convictions.

If we accept that FGM is child abuse, why do we not treat it as such? In other cases of child abuse, arrests are made, people are charged and convictions are secured. It is very difficult territory, but elsewhere, even when witnesses are very young or unwilling to testify, convictions have been secured and vulnerable siblings have been identified and registered as being at risk. Are we really doing enough to protect girls from abuse? Does it make

a difference to the police that those girls are overwhelmingly from immigrant communities? In France, compulsory physical checks make the job of the prosecutors easier. That is not part of our tradition here in the UK, but is that hampering the police? Should we at least be challenging and discussing that received wisdom?

Will the Minister tell us more about the work that the Crown Prosecution Service is doing, and whether she feels that a prosecution under FGM legislation is becoming more likely? What does she feel are the main sticking points for the police when it comes to pursuing cases?

Of course, for the girls involved prevention is much better than prosecution, so as well as considering the action that we can take in this country, we have to take more effective action to prevent families from taking girls overseas to be cut. I have learned a lot about FGM over the past year or so from one of the world's leading experts, Efua Dorkenoo, who is advocacy director on FGM for the charity Equality Now. She has been looking around the world for ideas that work. The Dutch and French Governments use what they call a "health passport" for girls who are at risk. That simple document, carried with them overseas, states clearly that FGM is a criminal offence in the country of residence and a form of child abuse. It details the appropriate criminal penalties, and in the case of Dutch residents, explains that if convicted of having their daughters cut, parents could lose the right to remain in the country if they are not citizens. The parents are then asked to sign the document before they travel to show that they have understood, and accept, their responsibilities.

I believe that such a document could be a powerful tool here. It would send a strong message to families that FGM is not to be tolerated and would empower girls to assert their own human rights. It may also empower parents who have their doubts about FGM. There is some evidence that some parents, perhaps those who have grown up in this country, are having doubts about whether they want it to happen to their daughters. They could show such a document to relatives from the extended family who were putting pressure on them to have a girl cut, and say, "Look, we can't do it, we'll be prosecuted."

Valerie Vaz: Another problem is that the cutters abroad see such things as a loss of their income, so one solution could be that any aid sent out to relevant countries could be linked to retraining the cutters for a somewhat more useful job.

Jane Ellison: That is a very powerful intervention. That is a Department for International Development responsibility, as the hon. Lady knows, and DFID is being urged to do more on the matter. It is doing things, and astonishing grass-roots movements are growing up all over sub-Saharan Africa, with women in the lead. They are going from village to village urging people to stop the practice, and re-educating the cutters to do something else. She is absolutely right to highlight that as one way in which we can help. There is an extraordinary link on this issue between communities in the UK and the diaspora communities around the world.

Does the Minister think the health passport could help prevent FGM from happening to British girls when they are taken overseas? Should we consider whether it could work here?

I do not believe there is any argument about the fact that female genital mutilation is a terrible thing, yet for too long the issue has been talked about at the margins of public life, if at all. If we are to send a clear signal to the girls affected by this abhorrent practice that they are not at the margins of our national life, we in this Parliament must take every opportunity to address the issue. I am grateful for the opportunity to do so this evening, and I thank colleagues for their support and pay tribute to those campaigning outside the House. I very much look forward to hearing from the Minister, who I know has been very supportive of us and feels very strongly about the issue. We must aim to stop FGM in this generation and break the cycle of abuse that blights the lives of so many girls and women in the UK.

6.14 pm

The Minister for Equalities (Lynne Featherstone): I thank my hon. Friend the Member for Battersea (Jane Ellison) and congratulate her on securing this debate on an incredibly important topic for women and girls both in the United Kingdom and internationally. We have to protect girls from this abuse, and we have to ensure that all those living with the consequences of female genital mutilation are given the care and support they deserve.

I want to answer my hon. Friend's specific points first, so that if time runs out I do not miss answering them. On updating the statistical and quantitative evidence base, she made a powerful point about the fact that the records are outdated. We shall certainly look at what the Greater London authority comes up with. Although £120,000 is small in governmental terms, it is not easy to come by, but we can commit to considering it. I am happy to give her that commitment.

My hon. Friend also mentioned health inequalities, the tackling of which is a Government priority, as part of our wider focus on fairness and social justice. In the Health and Social Care Bill we are proposing the first ever duties, on the Secretary of State, the NHS commissioning board and clinical commissioning groups, to have regard to the need to reduce health inequalities—and of course, victims and survivors of female genital mutilation would fall into that category. We expect there to be action, therefore, under that banner.

My hon. Friend raised the important point that everyone works with the best of intentions, but that perhaps teachers are uncomfortable or do not use the multi-agency guidelines that the Government have published, and she asked what feedback the Government are receiving centrally. Currently, we are not receiving or collating feedback resulting from those guidelines, but there will be a review of the use and effectiveness of the guidelines in February 2012, and we will evaluate their success by examining how extensively they have been used. Depending on the review's findings, we will consider how we might improve or adapt the guidelines. If front-line workers are not using them properly, there must be another barrier that we have not recognised in dealing with victims of FGM.

My hon. Friend raised the possibility of health passports for at-risk girls. I can undertake to explore and investigate the feasibility of such a measure. I do not know enough about the Dutch system to make a commitment, but I can commit to considering the idea.

[Lynne Featherstone]

The Government have recognised the need for a joined-up approach, co-ordinated by several Departments, to tackle FGM. We are trying to raise awareness of that barbaric practice. We have made progress, but I want to make it clear that the long-term and systemic eradication of FGM in the UK also requires communities affected by the practice to abandon it themselves. I cannot emphasise that point too strongly. We all work hard and are committed, but the pace is slow.

Our key focus is on prevention, and we have undertaken considerable work in the past year, across nine Departments, to take forward our efforts to prevent and tackle FGM. In February, I was pleased to launch the multi-agency practice guidelines for front-line professionals at the Manor Gardens centre, with which my hon. Friend and the hon. Member for Walsall South (Valerie Vaz), who has also contributed to the debate, will be familiar. Both are committed to that agenda. I spoke there to committed and dedicated community practitioners, and I want to commend and thank them publicly for their work.

As I said, the guidelines aim to raise awareness of FGM, highlight the risks of the practice and set out clearly the steps that should be taken to safeguard women and children from this abuse. I remember reading the guidelines myself. We talk about guidelines, and I sometimes wonder whether people know what they are like. I shall give an example for a teacher: if a girl spends half an hour going to the toilet, which is an inordinately long time, the teacher, if it happens more than once, should be alert, because it might be a signal that the girl has been cut, and so signpost and refer it on. The guidance focuses in particular on ensuring a co-ordinated response from all agencies, which is key to ensuring that professionals are able and confident to intervene to protect girls at risk. That is the objective. In addition, we continue to distribute leaflets and posters about FGM, which are key to bringing the issue to more people's attention. More than 40,000 leaflets and posters have been circulated to schools, health services, charities and community groups around the country. In July, the Metropolitan Police Service's Project Azure worked alongside Kids Taskforce to produce a film for secondary schools to raise awareness of FGM, which is now available for download on the Kids Taskforce website. Last summer the project also worked at Heathrow airport, talking to families with young girls going to countries where FGM is practised.

Jane Ellison: I watched the film, and I was astonished to see the young teenagers who made it say towards the end, "We want girls to have an informed choice about this." No one can have an informed choice about a crime that is committed against them. However, those involved in campaigning on the issue are often forced to make such compromises in their language, essentially because of concerns about how they will be dealt with in their communities, which goes exactly to what the Minister said about changing attitudes in communities.

Lynne Featherstone: My hon. Friend makes a powerful point. Some of the attitudes and sensitivities—or perhaps over-sensitivities—associated with this issue have sometimes meant that what needs to be said is not said as directly as it should be.

The Government are frustrated by the lack of prosecutions in the 25 years since the practice became a criminal offence. Indeed, as a Minister, I am intensely frustrated by that, as I stand at the Dispatch Box at Question Time and am asked why there have been no prosecutions under Labour, Conservative or coalition Governments. We have worked to strengthen the current legislation and we keep trying to encourage prosecutions. As my hon. Friend said, in September the Crown Prosecution Service launched FGM legal guidance so that prosecutors can better understand the background of FGM-affected communities and identify evidential challenges, so that they do not work in a vacuum, but understand the issue.

Research suggests that the most likely barrier to prosecution is pressure from the family or wider community, which makes it difficult for girls and women to come forward and notify police about what has happened to them. Victims may be too young, vulnerable or afraid at the time of mutilation to report offences to the police or give evidence in court. There could be other evidential difficulties if cases are reported many years after the event. I had not heard about the compulsory examinations that take place in France, which my hon. Friend mentioned. That is not the way we do things here, but one does sometimes think, "What other way is there to know whether a girl has been cut?"

The aim of the legal guidance is to provide prosecutors with advice on building stronger cases to bring to court. Prosecutors will now work closely with the police to investigate cases and consider evidence from social services, schools or local authorities, which may have crucial information to help build a case. The guidance has not been launched in isolation, but is part of a concerted approach to building prosecutions. The CPS will be monitoring and reviewing every case referred to it by the police for 12 months. That will allow the CPS to identify why cases are failing to proceed to court and what issues need to be addressed in building a successful case. That reflects the CPS's commitment to taking positive action to address the problem.

I want to talk about abandonment. I recently met representatives from the Orchid project, who introduced me to Tostan, a non-governmental organisation whose mission is to empower African communities to bring about sustainable development and positive social transformation based on respect for human rights. It takes a respectful approach that allows villagers to make their own conclusions about FGM and to lead their own movements for change. By helping to foster collective abandonment, Tostan's programme allows community members to share the knowledge. Through this process, entire villages and communities—men and women—have decided together to end FGM. This is incredible work, and I am looking into it. I do not know whether it is directly transferrable, because, geographically, such villages are quite different from the communities here, in the midlands or wherever. There must, however, be something to be said for a community making a decision about the value being put on women being cut. If the whole community accedes to that decision, it will be something that has been done collectively.

A couple of months ago, at the conference on FGM at Manor Gardens, religious leaders met for a forum on female cutting. They represented all the religions, although the Jewish representatives could not come, but did send

a message of support. What was so amazing was that all the speakers made it clear that religion played no part in FGM. Afterwards, 80% of the people who had attended said that that was beginning to break the link. Somewhere in all this, there is something that we need to look at that is more than all the things that we have been trying to do for so long.

Claire Perry (Devizes) (Con): I apologise for joining the debate after the start; I was selling poppies in Westminster tube station. I commend my hon. Friend the Member for Battersea (Jane Ellison) for bringing this important topic to the Floor of the House. I hear what the Minister is saying about getting the whole community involved, but I am concerned that this practice, which is illegal in the UK, is an underground practice. We need to give the young women in our communities a safe way to come forward, to understand the problems with the practice and to report it. I fear, however, that those groups of vulnerable young women are not yet being given a voice to raise the issue and express their concerns.

Lynne Featherstone: We are working hard to provide those avenues, and to provide the people to listen to those voices, so that such young women will have the freedom to come forward. We have been trying for a long while to make those things come true. As a Minister, I have to say that we continue to pursue avenues such as the new guidelines and the CPS approach, but it would be wrong of me not to look further and wider when people bring me ideas that might have some value. I am not saying that they do have value or that they do not; I am simply saying that I am open to new ideas as to how we can tackle this intransigent issue. There has been a great deal of work and genuine commitment on both sides of the House, and we are moving forward with that, but we have not really succeeded. In fact, my hon. Friend the Member for Battersea said that the incidence of FGM was growing. In addition, perhaps the diaspora is at a different stage from what is happening in the countries of origin, where people are making moves that are not happening in the diaspora.

Our efforts to prevent the practice continue, and in October we launched the FGM fund, a £25,000 fund for front-line organisations that work to prevent FGM. They have been able to bid for grants of £2,000 to £5,000 to further support their commendable work in strengthening the voice of women to speak about FGM and work to abandon the practice. I thank my hon. Friend for raising the issue and I congratulate her on securing the debate. I hope that my comments have gone some way towards reassuring her that this crucial issue remains on the political agenda in order to ensure that girls and women are protected, and that we are working, united, to eliminate this unacceptable form of abuse.

Question put and agreed to.

6.29 pm

House adjourned.

Westminster Hall

Tuesday 25 October 2011

[Mr David Amess *in the Chair*]

Business Rates (North-East)

Motion made, and Question proposed, That the sitting be now adjourned.—*(Stephen Crabb.)*

9.30 am

Julie Elliott (Sunderland Central) (Lab): It is a pleasure to speak under your chairmanship, Mr Amess. I am grateful for the opportunity to initiate this debate on an issue that will have a big impact on the north-east, as is evident from the number of my fellow north-east MPs who are present. The whole country is being affected by the difficulties in the economy, but it is fair to say that the north-east is suffering. Economic growth is stalling and unemployment rising. In the period from May to July of this year, the north-east had the highest unemployment level in the country at 11.3%.

Unfortunately, that is not altogether a new experience for our region. For decades, the north-east was undermined and overlooked as a place of economic growth. In the 1980s in my constituency of Sunderland Central, we saw the shipyards that had defined our city and been a source of pride for generations, employing entire families, almost disappear from the banks of the River Wear. At its peak, ours was the biggest shipbuilding town in the world. When it came to our efforts in world war two, we produced more than a quarter of the nation's total tonnage of merchant and naval ships. However, in 1988, British Shipbuilders shut up shop. That was followed five years later by the closure, by a Tory Government, of our last coal mine, putting many thousands of people on the dole.

The economic history and future of the north-east is one of manufacturing and production. We are intensely proud of that. Sunderland is now world-famous for building cars. I applied for the debate as a result of the submission by the Association of North East Councils of its response to the consultation on the review of local government finance. That laid out a clear case of concerns about the Government's proposals. It is worth mentioning that the response had cross-party support from across the region.

Despite our rich heritage, the north-east has not been able to keep up with the economic growth of other regions in our country, and we are still rebalancing our economy after the decline of our traditional industries. That is why the formula grant has been crucial to councils across the region, allowing them to provide the services needed for their residents, while trying to address growth in their areas. For Sunderland city council, the gap between the formula grant that it receives from the Government and the amount in business rates that the city collects is £60 million. In Durham, the figure is £80 million, and across the north-east there is a shortfall of about £400 million. Business rates make up more than 80% of the Government grant to councils, so this really is a critical issue.

No one is arguing that the formula grant could not be improved, but what the Government propose with the localisation of business rates has the potential to make things worse. I am thinking particularly of the lack of information about top-ups and tariffs. The Minister has said that the formula grant method is incomprehensible, far too complex and lacking in transparency and that councils are left at the whim of the formula setter in Whitehall. I agree that the formula grant system is not perfect and it is certainly complicated. However, it does attempt to be fair, redistributing centrally pooled funds to councils according to their needs.

Under localisation of business rates, the system will change completely. The proposed system takes no account of councils' ability to raise council tax, no account of differing abilities to generate business, no account of future needs and no account of a council's ability to service the needs of its residents.

Let us examine the differences in council tax yields. In the north-east, most authorities have more than 50% of their properties in council tax band A, compared with Surrey, where the figure is just 2%. In Sunderland, only 9% of the housing is in band D, compared with Surrey, where the figure is 75%. People can see the unequalness in the ability of local authorities to raise revenue. In real terms, that means that an area such as South Tyneside can raise £427 per person, whereas Kensington and Chelsea can raise £795 per person—a huge difference. The system of equalisation under the formula grant worked so that the actual difference was just £3 per person. That enabled local authorities to provide the services needed by their residents, regardless of the economic base of their area. It is a question of fairness, equality and need. If the Government are serious about making the proposed system fair, they need to deal with that issue.

Deprivation levels in the north-east are high: 33% of our population live in the 20% most deprived areas in the country; Sunderland has 34 neighbourhoods in the 10% most deprived areas nationally. That level of deprivation leads to a much greater demand on the services provided by local authorities. I am referring to more people receiving the home care service, more looked-after children and supported adults, more children on free school meals—the list is endless. As the ANEC report states, any system has to ensure that it does not create a spiral of decline in poorer areas, with an impact on health and social care.

The north-east has an ageing population. It is expected that by 2030, 23% of the population will be over 65, leading to an even greater pull on resources. It is right that any new system should take that into account. At the moment, I cannot see how the Government's proposals will do that. I hope that the Government's plans for top-ups and tariffs, of which we have yet to see the details, will fully respond to that situation. The gap between the north and south of England is already stark; I am concerned that with these plans, it will only grow larger.

Pat Glass (North West Durham) (Lab): I congratulate my hon. Friend on obtaining the debate. Does she agree that the Government's proposals would result in exactly what happened in America in the 1980s? Cities such as New Orleans and Detroit became derelict, with anyone

[Pat Glass]

who could move out of them doing so to obtain the services that they needed. What the Government propose would create derelict cities in the north.

Julie Elliott: There is a real danger that that could happen, which is why it is important that this debate highlights the issues for our region. The situation that my hon. Friend describes is the last thing we need. I cannot believe that is the Government's intention, but it is the danger in the system that they propose.

Sir Alan Beith (Berwick-upon-Tweed) (LD): I, too, welcome the debate that the hon. Lady has introduced. Is there not also a problem for areas that have greater difficulty in attracting new business, which is liable to pay high business rates? It may go to city centres, but is much less likely to go, for example, to Northumberland, which at the same time faces the potential loss of its biggest single industrial business rate payer—the large aluminium smelter at Lynemouth.

Julie Elliott: I agree. The problems in the north-east are not just in the cities and urban areas. The rural areas of Northumberland and County Durham are as badly affected, but I think that is why the ANEC report has cross-party support. We have Liberals and Tories in government in the north-east, and of course Labour. I think that the reason for the cross-party support is that everyone understands the very difficult economic situation that our region faces.

Anne Marie Morris (Newton Abbot) (Con): I want to put in a word for the south, because the south-west is equally deprived. There is a view that we live in a land of cream teas and lots of strawberries, but where I am in Teignbridge, we have the twelfth-highest share of small business rate relief. Some 40% of properties get that relief, so if the proposal pooled actual receipts rather than calculating by rateable value, we would lose out. I share the hon. Lady's concern that for rural areas, such as mine, thought should be given to how money can be brought back to communities that need it, but I support the concept of pooling.

Julie Elliott: Other parts of the country are in similar situations; the issue for the north-east is that the entire region is struggling.

The system the Government propose favours the growth of retail space and distribution centres, rather than small and medium-sized businesses and, most crucially in the north-east, manufacturing. Practically, that means that a hectare of land used for retail in the north-east will yield £1 million, compared with £200,000 for manufacturing. It feels as if my region is being punished for manufacturing things. We must remember that manufacturing needs to be at the heart of any national strategy for long-term economic growth. The sector contributes £7.5 billion to the north-east economy per year. We export more than we import, which is helping to rebalance the economy in these difficult financial times. Business rates may value retail and commercial sites the most, but they just do not reflect the way our region's economy is made up, and with so many people out of work, increasing the number of shops is not the answer and would not be sustainable.

I would be interested to hear more from the Minister about the proposals for introducing mechanisms to overcome economic shocks, which are particularly relevant to the north-east, as we have already suffered from them.

Angela Smith (Penistone and Stocksbridge) (Lab): Yorkshire, particularly South Yorkshire, will also suffer quite badly under these proposals. Is it not important that any Government legislation makes clear the need for rebalancing by means of top-ups and tariffs, as areas such as ours diverge from richer, more prosperous areas? It should also give a clear indication of when that rebalancing would take place.

Julie Elliott: Absolutely. Again, that is why it is important to have this debate and to give the Government the opportunity to hear concerns from formerly heavily industrialised areas as we move forward and try to grow.

In the north-east, councils rely on a small number of larger businesses to generate business rates, but that arrangement can be volatile and vulnerable to shocks, as we have seen in shipbuilding, coal mining, textiles and, more recently, steel making. We need an effective mechanism to manage economic risks and provide protection for areas of poor growth. I support the Government's view that some of the proceeds of the levy and the set-aside should be used to protect against volatilities.

The Government must recognise that some places have greater economic potential than others. A council's ability to generate business rates is mainly the result of location, location, location, combined with some effort and a lot of luck. The Government must therefore take account of the issues I have outlined. In particular, they must take longer to consider the wider and unforeseen consequences of their proposals, put in place a regular review of the new system, create a mechanism to protect against volatilities and, most important of all, make sure the system is fair, equitable and based on need.

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): I think I just caught my hon. Friend before she reached her conclusion, so I am very grateful to her for giving way. She talked about the system being fair and equitable. We both represent the city of Sunderland, which will lose £60 million, as she highlighted. Does she think it fair or equitable that, according to what I have read, the City of Westminster will be able to keep all of the £1 billion it currently raises? How is that fair and equitable?

Julie Elliott: That is exactly the point. As currently proposed, the system is not fair and equitable, although we do not have the details. However, the Minister is listening to the debate, and we have an opportunity to highlight the real issues, as well as how unfair and unjust the Government's proposed system will be if they do not introduce mechanisms to readjust it in more affluent and poorer areas. As the hon. Member for Newton Abbot (Anne Marie Morris) said, it is not just the north-east that suffers; we can find the problem in pockets right around the country. The question is how we get the balance right. We all want to promote growth—we are not opposed to promoting growth—but

we must allow regions to do so sensibly, and we must support them so that they can provide the services their communities need.

9.44 am

Mr David Ward (Bradford East) (LD): I thank the hon. Member for Sunderland Central (Julie Elliott) for introducing the debate. I feel that I am gatecrashing a tad, but I will not take too long. However, we have many things in common, which I hope to bring out.

I have spoken at length with Councillor Janet Battye, who is vice-chair of Local Government Yorkshire and Humber, and there are real concerns about the proposals. The deadline for submissions is 27 October, so there is still time, and the important point about having the debate now is that it might encourage people to make submissions before the deadline.

There are two overall concerns, which I will detail. First, in terms of those with buoyant business rate bases, the concern is that this will be a case of "to those who have, more will be given", with the proposals simply sucking in additional investment. As areas get more proceeds from business growth, they will invest them, which will result in more proceeds, which will result in more growth, and so on. There is also a concern about the historic and fundamentally important link between funding levels and the overall assessment of local needs. If that link breaks down, it will be to the detriment of many authorities that serve deprived communities.

As to the details, I am a member of the Chartered Institute of Public Finance and Accountancy, and I realised many years ago that the way to kill off a conversation at a party is to start talking about local government finance. None the less, the issue is crucial to millions of people.

There is a danger that the proposals are being rushed a bit, especially at a time when local authorities—especially many in the north—face huge reductions in their tax base and income, particularly as a result of front-loading. It is also difficult to look at the long-term repercussions of the proposals when local authorities face problems with the amount of Government grant they will receive for council tax.

The second point—perhaps it should have been the first point, because it was raised before the Localism Bill was considered in depth—relates to having a fundamental review of the relationship between central and local government. Such a review should come first; then we should have the structure, followed by the financing of local government. However, we have not really had a serious debate about the sort of relationship we want between central and local government.

There is also the false belief that business rates are the same as economic growth, but that is not necessarily the case. It is certainly not the case that there is a link between business rates and needs in an area. We are in the process—I think we are all signed up to this—of rebalancing the economy in many ways. Hopefully, the economy is being rebalanced from the south to the north, but we are also looking at different sectors in industry, at the type of growth we are likely to encourage and at whether it is likely to be in accordance with our stated rebalancing policy. SMEs and manufacturing have been mentioned, and we lost 15,000 manufacturing jobs in Bradford between 1998 and 2008. We desperately need those jobs back, but will the proposals incentivise the creation of manufacturing jobs, or will we take the more easy route of retail growth?

There is also the issue of the redistribution of wealth that might take place. About £3 billion more in business rates will be generated by 2014.

Pat Glass: On that point, one advantage of being a little older is that we have been around before and seen things before. We should remember where the formula grant system came from. Margaret Thatcher introduced it because local authorities—largely Labour ones—in cities were increasing their business rates, and businesses called for the formula grant system. The Government need to think about that because, although we need the detail of the proposed system, they are in danger of being seen as anti-business over this issue.

Mr Ward: The details are crucial, and that is why there is a need to take things slowly and not rush. At times trust between central and local government is tested to the limit. We need an established, agreed and fair starting point. At the same time that there are dampening effects on local government finance and a less than accurate assessment of spending pressures on local authorities, we are talking about a base of 2012-13. Many authorities have taken a real smack in the front-loading of the local government settlement and, if the base were 2010-11, that would paint a totally different picture of an area's needs. That issue has been raised by the Association of North East Councils. We also need regular review, because things change rapidly, certainly in the economy. We need to review the baseline, and five years is too long. I would argue for the resets to be on a shorter time scale.

The point that I was making was about the possible transfer or redistribution of wealth, because £3 billion in additional business rates will be generated by 2014, but that will be happening at the same time that local authority budgets will go down. There may be a transfer of wealth to those areas that initially prosper well from business rate growth, from authorities that have large reductions in their revenue grant.

Angela Smith: To add to that point, it has been calculated that Sheffield and Barnsley would have to get significantly more growth in their business base and, under the new system, would have to grow at least at the national average, just to stand still. Does not that make the case for thinking again, and making sure that we get things right?

Mr Ward: Absolutely. That is the overall point. I have perhaps spoken too long, as I know other hon. Members want to get into the debate, but that point, more than any other, is the crucial one that we agree on. The issue is serious. The principle is good: we are signed up for the localism agenda. There may be good pressure to achieve growth, and many authorities will rise to that challenge, but the devil is in the detail, and in this instance the details are billions of pounds. There is a need to tread slowly and carefully.

9.52 am

Mr Iain Wright (Hartlepool) (Lab): It is a pleasure to serve under your chairmanship, Mr Amess. I congratulate my hon. Friend the Member for Sunderland Central (Julie Elliott) on securing the debate, which I think we all agree is vital to the economic future of the north-east.

The Government's proposals on business rates discriminate against the north in favour of the south, against smaller authorities with less potential for growth in favour of larger, more metropolitan areas with a wider economic and tax base, against deprived areas with greater social and economic problems, in favour of their more affluent counterparts, and against manufacturing industry in favour of retailing. If the proposed changes to the redistribution of business rates were to take place while everything else in local government finance remained equal, they could at best be given serious consideration. However, we all know that the proposals are made in the context of the most radical, disruptive and damaging changes to local government finance for more than a generation.

I shall concentrate on the borough of Hartlepool and the impact of the proposals there. For the two financial years 2011-12 and 2012-13, Hartlepool borough council's cuts amount, in terms of the total expenditure slashed by central Government, to some 20%, or an annual change of £10 million. Put another way, the cuts to local government finance in Hartlepool mean a reduction in spending of some £150 for every man, woman and child in the borough, as opposed to a national average reduction of some £50. On top of that, if the business rates redistribution system were to be changed, the borough of Hartlepool could lose upwards of £13 million every year. That is the difference between the amount of business rates collected locally—£27 million—and the £40 million that is redistributed back to the town from the Treasury through the national business rates system. I think we would all agree that such a proposal could not be maintained in any sustainable way for Hartlepool.

James Wharton (Stockton South) (Con): With the proposed tariffs and top-ups, is not that exactly the sort of situation that should not arise? Hartlepool would receive a benefit, added to the business rates that it collects, to top it up to the relevant level, starting at a base point to maintain its funding level in the year of the introduction of business rate retention.

Mr Wright: Those last few words are the key phrase. It is what will happen after 2013 that I worry about. There will be potentially very damaging consequences for the north-east economy, and for the services that local government provides to the most deprived communities in our areas, about which we are most concerned.

A further difficulty in Hartlepool is the specific nature of the tax base. It is difficult to raise revenue locally. Forty-three per cent. of council tax is raised locally, as opposed to similar areas which could raise as much as 80% or 90% locally. Three quarters of properties in Hartlepool fall within council tax bands A and B. My hon. Friend the Member for Sunderland Central mentioned a figure of 9% for properties in band D. In Hartlepool that figure is 7%, so on top of the proposed changes in business rates, the borough's ability to raise taxes locally is limited, and the Government are doing nothing to address that. The way they are stripping demand out of the local economy through cuts is making things worse.

I mentioned earlier that Hartlepool collected £27 million in business rates. The Hartlepool economy—my hon. Friend touched on this question with respect to the wider north-east economy—depends on a small number of business rate payers. Ten businesses contribute £11 million, or nearly 40% of the annual business rate revenue collected in Hartlepool. One business alone contributes 15%, or £4 million, of the rates collected. If one of those businesses were to relocate or cease trading, the effect on the finances of Hartlepool would be catastrophic. The Minister must appreciate that it would be impossible to regain such revenue for many years in the event of such a large business leaving. What will the Government do to mitigate that risk?

In his statement to the House on 18 July, the Secretary of State said at column 672 in response to a question from me that Hartlepool would not be worse off as a result of the proposals. Following the intervention from the hon. Member for Stockton South (James Wharton), I think it is fair to say that that will be true until 2013-14, but what happens afterwards? It is important for the council's planning that it be given more details, so will the Minister provide more information on such matters as the basis for setting the baseline; setting the initial tariff and subsequent top-ups; whether such top-ups will be uprated through RPI, CPI or some other measure; and the frequency of resets within the system, to allow councils to plan?

The policy of the Government, certainly when it comes to tackling public finances, and particularly with regard to the relationship between central and local government finance, is to target higher grant cuts on those local authorities with relatively greater dependence on grants and with more deep-rooted social and economic problems. The proposals on business rates make such problems even worse and target the north-east and authorities such as Hartlepool particularly severely. I hope that the Minister will think again.

9.58 am

James Wharton (Stockton South) (Con): It is a pleasure to serve under your chairmanship, Mr Amess. I congratulate the hon. Member for Sunderland Central (Julie Elliott) on securing the debate.

It is not unusual, as a Conservative Member for a constituency in the north-east, to feel a little outnumbered, and today the odds are perhaps slightly on the side of the Opposition, as far as weight of contribution is concerned—although perhaps not quality; we shall find out about that.

The way we fund local authorities is very centralised and has been for some time. The OECD says that we have less funding autonomy for local government than France, Germany, Spain, the United States and Japan. That is not sustainable, and successive Governments have considered, and commissioned reports about, ways to move funding, to give local authorities more responsibility over what happens in their area, to allow them to benefit from success, and to transfer responsibility, so that local democracy can be more effective in holding to account the representatives who run an authority.

More than half our local authority funding, on average, comes from central Government grant—money redistributed through the Treasury.

What the Government appear to be trying to do is to reverse that trend. We have seen in areas other than funding, such as localism legislation, that councils are going to have a general power of competence. Local authorities will be empowered to do things that are in the interest of the communities that they represent. In doing that, there is a need to reform funding and the way in which local authorities receive their funding, so that they will have autonomy, freedom and the local accountability that comes with such autonomy and freedom. I am prepared to believe—giving credit to the Government—that that is the foundation for the proposals on business rate retention.

Local authorities collect about £19 billion in business rates annually. That goes to the Treasury, which redistributes it. As the hon. Member for Hartlepool (Mr Wright) pointed out, some authorities get more back than they put in. That is quite right, because there is a discrepancy in the ability of different local authorities to raise rates from the existing infrastructure in their areas. The challenge for Government is to find a fair way of tying future growth and so incentivising councils to promote growth in their authority area without unduly disadvantaging areas that will find it more difficult to do so.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): Does the hon. Gentleman not think that the Government's policy at the moment is slightly counter-intuitive, given that the Tees valley local enterprise partnership has a manufacturing-led sector growth policy? If manufacturing per hectare brings in only a fifth compared with retail, does he not think that the new policy could hinder the sector growth policies of business-side LEPs?

James Wharton: The hon. Gentleman makes a valid point, and I will touch on that later in my brief comments. We are consulting on how the policy would work, and there is a challenge for the Government to ensure that the areas that promote a manufacturing base as the driver for economic growth are not disadvantaged. It is a valid point, but we must not jump the gun and assume that it will be a problem, because we do not yet know what the framework will be—it is a matter for consultation.

There are weaknesses with the current system, such as accountability, which I have touched on, and a weakness in the freedom of local authorities to respond, because they are so dependent on central Government grants. We have seen, over many years, the problems of the central Government grant funding system, which include its complexity and how it often plays out in ways that cannot be easily predicted and are not necessarily to local benefit. There is also a problem regarding the incentive that it gives to some local authorities and councils, which may perceive that they can get more benefit for their area by lobbying central Government for more support than by focusing on promoting growth and improving their area.

What are the Government doing? The first and most important point, which some hon. Members, to give them their due, have touched on this morning already, is that there is a consultation, which is an opportunity to feed in, talk about and outline proposals, and to ensure that the concerns of local authorities in places such as the north-east, where there is a genuine fear that they may be disproportionately disadvantaged by any move towards local retention of business rates, are properly taken into account.

Mrs Mary Glindon (North Tyneside) (Lab): It is well known that the Tory mayor of North Tyneside always supports Government policies. However, on this occasion, she supports the Association of North East Councils' criticism of the consultation. Does that not show something?

James Wharton: The excellent Conservative mayor of North Tyneside, Linda Arkley, who is doing a superb job and is no doubt looking forward to her re-election by popular acclaim next year, has raised some concerns as part of the consultation process on behalf of the people whom she represents. I do not accept that it is a criticism of the consultation; it is feeding into the consultation in the hope of influencing the result in a way that will benefit the people whom she represents. The good mayor that she is, she is doing the right thing. I am delighted that the hon. Member for North Tyneside (Mrs Glindon) has given me the opportunity to raise that point.

Another important point, apart from the consultation, is that there should be no effect on what businesses pay. When the policy is introduced, we will not see business rates rising. Levels will be set, as I discussed briefly in an exchange with the hon. Member for Hartlepool, to ensure that the funding that councils receive at the point at which the policy is introduced is kept level. No council should initially be disadvantaged by the introduction of the policy. [Hon. Members: "Initially."] I fully accept that. It will then be a responsibility for local authorities to engage—within a framework that we must all see as fair and to which we must contribute to ensure that it is fair, so that the rules do not disadvantage any area—with that new system, grow their local economy as best as they can and reap the benefit.

What are the Government going to do? They will set a baseline, tariffs and top-ups. Tariffs and top-ups will mean that wealthy areas—we have heard of some of the wealthy areas that take a lot of money in from business rates—will see some of that money taken away from them and redistributed, often to councils such as those that many of us here today represent in the north-east. The top-ups will be the benefits that some of our authorities receive.

There will be a levy for disproportionate benefit, so if a council sees a huge rise in its business rates that is disproportionate to the benefit that that council should receive, that will be redistributed again in some way.

Helen Jones (Warrington North) (Lab): The hon. Gentleman should accept that we should be specific. The Government's proposal is to take back not the disproportionate benefit, but a share of the disproportionate benefit, which is an entirely different thing.

James Wharton: That is a fair point. As part of incentivising growth, it is important that local authorities are able to keep some benefit. Residents who have a large industrial complex built in their back yard may feel entitled to a share of the income that that brings to the Exchequer. There will be a levy that will allow for a

[James Wharton]

redistribution of disproportionate benefit and for a safety net. For example, one of the questions raised by hon. Members was, what if a large industry disappears or if a large manufacturer or retail site closes down in the north-east? What about that potentially catastrophic effect? There is already in the consultation a potential mechanism for addressing that through the levy, which will create a pot of money that councils that find themselves disadvantaged will be able to tap into. We look forward to hearing from the Government how they will administer that and what their proposals for that are.

There will also be five-year revaluations to ensure that the system is seen to be and remains fair. Hon. Members have raised concerns about the frequency of revaluation, and the Government should look at those. The Government should also consider the balance between providing an incentive and ensuring adequate funding, and more frequent revaluation could form part of that formula. We have discussed the difference between the business rates brought in by retail and manufacturing. Again, that is a fair observation and should form part of the consultation, and I hope the Government will pay attention to that. We have also discussed dependency on small numbers of large businesses; I have just touched on that in my comments. I would like to see more detail of how a levy for disproportionate benefit will help those areas when a large industry or business closes down and potentially impacts local government finances.

Overall, however, the Government are pushing power back down to people, empowering local authorities and communities to take control of and responsibility for the areas in which they live, and incentivising councils to create and foster growth. That should be welcome in the north-east, where we need to see greater private sector growth. I hope that we can have a constructive engagement with the consultation to deliver the best for our region, not simply to score political points, which may appear on Tyne Tees later this evening—one never knows.

10.7 am

Mr Alan Campbell (Tynemouth) (Lab): It is a pleasure to serve under your chairmanship, Mr Amess. May I begin by commending my hon. Friend the Member for Sunderland Central (Julie Elliott) for securing this important and timely debate? It is a pleasure to follow the hon. Member for Bradford East (Mr Ward)—clearly the north-east has just got bigger—and the hon. Member for Stockton South (James Wharton), who, if I have interpreted his speech correctly, has just taken personal responsibility for the success or failure of Government policy in the north-east.

James Wharton: I have not.

Mr Campbell: If we are talking about what the hon. Gentleman has not done, he has not shared the information that, of all the councils in the north-east, only Stockton council stands to gain from the proposal—some £4 million.

Whatever argument there is for localising business rates, concern has been expressed on both sides of the Chamber today about the impact that the policy might have on the north-east. We welcome the opportunity to play a constructive part in the consultation and the wider debate.

Why should the north-east have cause for nervousness? I am reminded of the comments of the then Leader of the Opposition, now Prime Minister, on the eve of the general election. He said that when the changes and cuts in public spending are made, it will be the north-east that can expect to be hit hardest out of any region. That is why local authorities in the north-east are united across the parties under the banner of the Association of North East Councils in the information that they are providing to the consultation. I believe that that is also why the wider business community shares those concerns.

I want to address the concerns not from a political point-scoring perspective, but in the context of what the Government say they are trying to achieve for the region. Under this change, my local authority, North Tyneside, stands to lose £19 million, which is half as much again as the level of cuts that are necessary because of local government funding changes. The region as a whole stands to lose a third of a billion pounds. Compare that with an area such as Westminster that generates £1.8 billion in business rates each year. The fundamental question is how local economies in the north-east can compete with areas that have a large business rate tax base and the resources to invest not only in attracting future jobs, but in continuing to provide local services. The Government's own local growth strategy aims to rebalance the United Kingdom's economy, but if we are not careful, this proposal will have the opposite effect. London and the south-east are not the only areas that stand to do well. Scotland will continue to have Scottish Enterprise, which will attract businesses and jobs. The north-east is losing its development agency and its regional growth fund is proving ineffective.

Tom Blenkinsop: My hon. Friend is making a good case. Middlesbrough stands to lose £27.5 million a year as a result of these changes and Redcar and Cleveland borough council stands to lose £18 million a year. Is my hon. Friend also aware that the unemployment rate in Middlesbrough is 14.3% and it is 12.4% in Redcar and Cleveland? Many of the issues outlined by the Government in the consultation are counterintuitive to their own growth agenda, especially in an export-led manufacturing recovery.

Mr Campbell: As ever, my hon. Friend makes a better argument than me. His point is precisely the one that I am trying to make. If we are not careful, the results will be counterintuitive to what the Government say they want to achieve. We all want to see economic growth in the north-east. It is not only good for the region but the best way in which to cut the deficit. The Government want to see economic growth, but I am not sure whether they know how to achieve it. The north-east has a good record of growing small and micro-sized businesses, yet those are the very businesses that do not generate high levels of business rate income, at least in the short term.

The Government also say that they want to see the growth of manufacturing. Again, we all want to see that. The north-east has a proud manufacturing tradition, but it cannot make a living in a modern world on tradition alone. The manufacturing sector is still an important part of the north-east economy, but the most

recent report from the north-east chambers of commerce expresses concern about the weakness of manufacturing in the area. Again, as we have already heard, manufacturing tends to generate less business rate income than large retail businesses. Therefore, if a local authority is looking to regenerate an area to increase its business rate and to create jobs in an area, would it be better to have a retail or a manufacturing development?

If we are to see a more level playing field with regard to public spending, we should do what was done in the past and bring infrastructure project investment to the north-east. We are told that the Government are considering bringing forward infrastructure spending to get growth started. Certainly, investment over and above the return of business rates will be necessary if we are to unlock the potential of the north-east economy. Take for example the next stage of the improvement of the A19 at the junction of the Silverlink roundabout. The previous Transport Secretary had a very strange view of cost-benefit analysis. In his new role, such a view would equate to him requiring soldiers to pay for half of their tanks and sailors to pay for half of their ships. If the Government are looking to grow businesses that then pay business rates and to rebalance the economy at the same time, it really will require a joined-up approach. They must be careful about the impact of this particular policy.

If these changes go ahead, can the Government assure us that councils will be given time to adjust? How large will the safety net be? Will there be a long-term approach to adjustment? If not, the situation for councils will deteriorate year upon year. Will any adjustment mechanism take into account inflation, which is high and rising? Above all, will the new system be fair? Will it have a national element? The localisation of business rates in the north-east is important, but so too is the localisation of business rates across the country as a whole. If we do not have a national element, the system will not be redistributive in any way.

What would be indefensible is for richer areas in a region or council to have to subsidise poorer areas. We need to see richer areas of the country subsidising areas that require support. Will the new system be fair? Despite the improvements of the past decade, we have higher than average levels of deprivation. Child poverty and the calls on the health services are high and we have an ageing population. This is not special pleading, but a request to the Government to give the north-east a fair deal. Without a careful examination of their proposals to ensure that they are fair, the north-east will be in for an even more difficult time than we imagined.

10.16 am

Ian Swales (Redcar) (LD): It is a pleasure to serve under your chairmanship, Mr Amess. I congratulate the hon. Member for Sunderland Central (Julie Elliott) on securing this important debate.

As an accountant for ICI in the mid-1980s, I remember signing cheques for more than £6 million for local authority rates and the furore in 1988 when the then Conservative Government decided to centralise business rates, take money from the industrialised north and move it to the leafy south—as it was portrayed at the time. It is somewhat ironic, therefore, that we are now having this debate about taking money from the deindustrialised north and again moving it to the leafy south. Although I speak for the Government I also speak very strongly for my constituency and as a member of the north-east community of MPs; both of those come ahead of my party or Government loyalty on this issue.

My constituency and that of my hon. Friend the Member for Bradford East (Mr Ward) share the distinction of being the two constituencies on the Government side of the House with the worst unemployment rates, so it is a pleasure to see my hon. Friend in the Chamber. My constituency also shares a lot of characteristics with Sunderland, Hartlepool and a number of the other areas that have already been mentioned.

We have not spoken about the views of business. Some 66% of businesses have spoken in favour of the move, and only 20% against. It is important that we listen to them as part of the consultation. Businesses want to be part of their local communities. They want their success to be shared in the local community. Most of them do not want to see any benefits being siphoned off to Whitehall. Apart from Malta, we have the most centralised tax system in Europe, so some move towards localisation of tax raising is surely sensible.

I do not know how many hon. Members are friends of the complex formula grant system. Only last weekend, I joked in a speech that I thought that my hon. Friend the Minister was probably the only person who really understood the full detail of the formula. Of course most north-east councils are not happy with the current formula grant system. It is too complicated and too subject to the whim of Whitehall. I do not know who its friends are, but I would not mourn its passing.

There seems to be a lot of misreporting or misunderstanding of the scheme the Government propose. As I understand it, no one will be worse off in the first year, although some speakers today have suggested that they will be. Both the Deputy Prime Minister and the Secretary of State for Communities and Local Government have said that the starting point will be equalisation, top-ups and tariffs, so in the first year of launch all councils will be in the same position. Obviously what happens after the first year is a concern. We have talked about industries dying and being born. I think that the Government have spoken about what they will do in those circumstances but we need more detail, as previous speakers have said. I hope that the Minister will respond to that point.

The proposals include provision for a full 10-year review of where the system has got to, but nobody seems to be recognising that. Hopefully, the Minister will give us more detail about the review.

There is nothing to stop councils pooling resources or using other arrangements, if they feel that they want to share the benefits or issues in their area. We should all welcome the freedom that local councils will have. Nobody has spoken about the effect on local councils of the new Government scheme; I hope that the Minister will do so. From the way people have been speaking so far in the debate, there seems to be an assumption that every council is unitary, but I have had a letter from the Cleveland Local Councils Association asking what the effect of the new scheme will be on its members. Our parish, town and district councils are not clear about how the new scheme will work for them. As I say, I hope the Minister will address that point too.

[Ian Swales]

Some interesting points have been made in the debate, but the overwhelming feeling of the speakers so far has been pessimism. That is one of our problems in the north-east; we are generally seen to be pessimistic.

Tom Blenkinsop: The pessimism among Labour MPs that the hon. Gentleman is probably referring to might be born from, for example, the Government's programme on the regional growth fund. We have waited six months for funding. It will be welcome funding, for example for a potash mine in my constituency, but it still has not arrived. That type of practical example might lead to pessimism.

Ian Swales: The local enterprise partnerships are doing a good job, certainly in our area, and with the regional growth fund there is a simple due diligence process going on. There is a project starting in my constituency right now, with holes being dug in the ground this week. That project has attracted £7 million of regional growth fund money. The time lag has simply been to ensure that the schemes that will be supported are the right ones.

I want to pick up on the point about manufacturing versus retail. Clearly, it is a fallacious comparison, because manufacturing takes up more space than retail. Right now, a manufacturer in my constituency wants another acre of land to add to the acre that they already have. There is no retailer asking for another acre of land, so the basis for saying, "It's all about retail, not manufacturing", does not stand up at all.

I am optimistic, because we have enormous potential in the north-east. The other night, I went to the launch of Energi Coast, when 19 companies involved in the offshore renewable energy industry came together to launch joint marketing. They are all talking about a boom time, like the start of the North sea oil industry.

Nevertheless, I worry about the proposals. We need a lot more detail, but we also need a can-do attitude. I say that to my local council all the time, because it often does not have a can-do attitude when it comes to new business. Sharing the benefits of business growth is in all our interests.

Mr David Amess (in the Chair): The Front-Bench responses to the debate are due to start at 10.40 am. I think that there are just two hon. Members left who wish to speak.

10.23 am

Phil Wilson (Sedgefield) (Lab): It is a pleasure to serve under your chairmanship today, Mr Amess.

I congratulate my hon. Friend the Member for Sunderland Central (Julie Elliott) on securing this debate, which is on a very important issue. We can tell that from the number of hon. Members who are here in Westminster Hall.

For me, the point about the proposal in the consultation is what it will actually do for economic growth in the north-east of England, where manufacturing, for example, is worth £7.5 billion. I think it is the only region in England that actually exports more manufacturing goods than it imports. We have Hitachi coming to Newton Aycliffe in my constituency, which will create 500 jobs in a train-building facility and thousands of jobs in the supply chain.

I am concerned that in the future local authorities will have to generate more money from business rates because of cuts in other rates. For example, County Durham will lose £125 million in grants over the next four years, including £64 million this year. That money must be made up from somewhere. Under this proposal, however, we also know that the county could lose up to £80 million, but its annual budget is only £300 million. At the moment, leisure centres are closing and in many areas we are now able to provide only statutory services to local communities; we are no longer able to provide discretionary services.

The big thing for me is that the Association of North East Councils has said:

> "Business Rates are not a suitable measure of economic growth. Rewarding growth in Business Rates income gives disproportionate benefit to the encouragement of growth in retail space and large distribution centres, rather than encouraging growth in small businesses (whose Business Rates attract substantial levels of relief), technology businesses that do not require much physical space, and manufacturing."

In the future, local authorities might not pursue major manufacturers to come to the area, as they have done in the case of Hitachi, but instead they might pursue major distribution centres and major retail providers, because they cover more space.

I have some figures for retail sites. They can generate more than £1 million per hectare in business rates, but manufacturers can only generate £250,000 per hectare. However, what we get with manufacturing is high-value jobs. With Hitachi, it is not just the 500 jobs that are being directly created but the thousands of jobs that will be created in the supply chain. In my area, I want young people to have high-value jobs, providing a future for our local communities, and I am not sure whether the Government's proposals will achieve that aim.

I want to mention E.ON's plans for my constituency. E.ON wants to build the largest wind farm in the country, with 45 wind turbines. It will cover 7.5 square miles, which is 5% of my Sedgefield constituency, but it will generate less than £1 million in business rates. There will be no jobs; there will be reindustrialisation of the landscape without any jobs and less than £1 million in business rates will be generated.

I am really worried, not because I do not think that Durham county council and other authorities in the region will not want manufacturing industry to come to the area, but given the cuts that they are already struggling with, the incentive for them will be to look for big retailers and distribution centres rather than the manufacturers of the future. If we want to rebalance the economy and bring in lots of private sector jobs, we have to look at the quality of the jobs that we are creating. I need more businesses on the science park at NETPark—the North East Technology Park—such as Kromek, which is creating major jobs for the area and actually saving jobs at Thorn Lighting, because of the quality of the people who work for Thorn Lighting.

Ian Mearns (Gateshead) (Lab): The hon. Member for Redcar (Ian Swales) accused Labour MPs of being unduly pessimistic. However, from my constituency's perspective, in an area such as Gateshead we have

actually been very can-do and built things such as the Metro centre and the Team Valley trading estate, which employs more than 20,000 people. We also have a £150 million development in Gateshead town centre at the moment, but my council is still very pessimistic about what will come from this set of proposals. Why would that be?

Phil Wilson: My hon. Friend is absolutely right. As a person, I am optimistic. I know what we did with Hitachi, to attract it to the north-east of England. We brought the Government—struggling—to the table on that project. When the north-east of England stands together, we achieve great things.

We have to look at the location of the north-east of England. It is a long way from here. My constituency is 263 miles away, according to the sat-nav in the car. To the north, we have Scotland, which has its own regional development agency. The regional development agency for the north-east of England is being done away with. The regional growth fund is offering only a third of the money that we used to receive under the previous Government. To the south of us, there is a burgeoning economy. The number of distressed businesses has gone up by 20% in the north-east, but the number in the south-east has actually fallen by 6%. We ask the Government to look at these proposals and take into consideration the great concerns that we have about our area.

I keep mentioning Hitachi because I am proud of what we have achieved, but Hitachi has said that it came to England and the UK not only because it is a great place but because it is in Europe. We are part of Europe and should remain so.

Finally, I want to ask a few questions of the Minister. Will the readjustments be over five years, or is he thinking of reducing that time scale? What guarantees are being offered to manufacturing. Under the proposals, will incentives come to areas? Will any grants take inflation into consideration, as was mentioned? Will that be the consumer prices index, the retail prices index or another measure of inflation?

10.30 am

Alex Cunningham (Stockton North) (Lab): Thank you, Mr Amess, for calling me to speak this morning on a subject that has far-reaching implications for my constituency and the north-east as a whole. I congratulate my hon. Friend the Member for Sunderland Central (Julie Elliott) on securing the debate.

The Government's ambition to "incentivise" councils to boost local economic growth by linking it to a meaningful increase in funding for local services is laudable in its aims. However, I feel strongly that their proposals will have a raft of unintended consequences which will have a damaging effect on the north-east and other less developed areas of the country, such as Yorkshire. They will not encourage strong, sustainable growth in local areas but rather undermine the manufacturing companies that are so vital to the north-east's economy. There is no doubt in my mind that the Association of North East Councils is correct when it says that wealthy areas could grow stronger and poorer areas weaker if business rates are localised as proposed. The 12 councils warn that wealthy parts of London and the south-east, led by Westminster and the City of London, could have resources reallocated to them while poorer areas lose out. The new system must take account of local needs, including cost pressures resulting from deprivation.

The current system recognises the systemic inequalities in Britain, providing different councils with different levels of resource to meet different needs and ensuring that the service needs of the poorest areas are met. That is fundamental, as there is substantially greater need in the north-east in terms of pressures on local services and the smaller commercial and business areas. One example is children's services. Proportionately, several times more children are on free school meals in my Stockton North constituency than in the affluent areas of the south-east, so our local authority's costs are proportionately much higher on children's services alone. Some may claim the Stockton borough will benefit marginally—it would only be marginally—from the changes, but any small benefit will be dwarfed by the total loss across the north-east. This is about the north-east region and not about individual authorities—it is about a regional, shared economy.

Despite the diversification of the region's economy and considerable action over the 13 years of Labour Government on health and poverty, the region sadly still has the largest percentage of its population—around 33%—living in some of the most deprived areas of England. The proposals will make it much worse. If the Government's proposals were applied to the 2011-12 or 2012-13 grant settlements for the north-east, it would result in grant losses above the national average in percentage terms and substantially above average reductions in cash grant. That significant reduction means that councils would inevitably have to make deeper cuts in their budgets, thereby putting greater pressure on the delivery of the most essential local services.

The Government should realise that not only do different areas of the country face different levels of need and dependency on public services, but they have different business and economic structures. The north-east is very proud of its manufacturing sector, which currently, as my hon. Friend the Member for Sedgefield (Phil Wilson) pointed out, contributes £7.5 billion to the regional economy. However, the sole focus on business rates as a means on incentivising local business growth will hugely undermine that sector.

Business rates from retail or commercial developments are significantly higher, as others have pointed out, than from manufacturing and, under current proposals, it is likely that manufacturing developments will be seen as less attractive propositions, despite the wider economic benefits such as exports, supply chain industries, jobs and skills, compared with retail developments which have the capability to secure greater levels of business income.

Ian Swales: Does the hon. Gentleman believe that his area of Stockton has unlimited potential for more and more retail development, which would thereby stop manufacturing investment, which seems to be his proposition?

Alex Cunningham: One of the things that I have fought for over the years is to restrict the growth of retail outside our town centre, which, as with so many

[Alex Cunningham]

town centres throughout the country, is suffering. We will not get anything extra for the empty properties sitting in our high streets; I want to see them filled up with new businesses and contributing to our economy.

There seems to be a contradiction between the Tory-led Government's rhetoric and their actions. When the Tory leader first became Prime Minister, he claimed that he wanted to give manufacturing "another chance" and sang the praises of small businesses by saying that they were the "lifeblood" of the economy. During the general election campaign, he—not then Prime Minister—told the north-east media that the region would be safe in his hands. Sadly, he has failed to keep any promise in that direction, delivering less investment, a laughable growth fund that has yet to achieve any single thing of note, enterprise zones without any real, up-front, hard cash to support them and a banking sector that ignores his pleas for loans to businesses. Now his proposals for business rates fail our north-east region.

I also have strong reservations, as does my local Stockton borough council, about the lack of a clear mechanism for adjusting to changes in the needs of local authorities. I was encouraged that the hon. Member for Stockton South (James Wharton), who has now left his place, agreed that that is a major issue. Under the present formula grant system, needs are adjusted every year through changes in data and every three years by considering changes to the actual formulae. To move to a much more infrequent reassessment of need in the proposed rates retention scheme would be a worrying move, particularly in such uncertain economic times. It is therefore of the utmost importance that the Government forecasts of business rate yield are realistic, and that updated estimates are based on adjustments arising from continuing economic indicators.

I started with how the Government want to incentivise local authorities, but it is important to emphasise that the notion that local authorities in the north-east do not promote economic growth in their area because they do not benefit from increased business rates is fundamentally flawed and, I would go so far as to say, deeply insulting. People in the north-east are working extremely hard to develop, to grow our local economies and to create jobs. Local authorities, including those in the north-east, have embarked on economic development in their area for countless years because they will attract jobs and benefit their area. The Government reforms are not only likely to hinder the prospect of a strong business sector in the north-east but very likely to worsen public services when they are needed most. That "survival of the fittest" model is simply the wrong policy, with the north-east again paying the price.

10.37 am

Helen Jones (Warrington North) (Lab): It is a great pleasure to serve under your chairmanship, Mr Amess.

I congratulate my hon. Friend the Member for Sunderland Central (Julie Elliott) on securing the debate. She is a powerful advocate for her region, as are my other hon. Friends who have spoken today. For instance, my hon. Friend the Member for Hartlepool (Mr Wright), who is a former Local Government Minister, highlighted the problems that might occur after 2013. My hon. Friend the Member for Tynemouth (Mr Campbell) highlighted the need for infrastructure to unlock potential in the north-east. My hon. Friends the Members for Sedgefield (Phil Wilson) and for Stockton North (Alex Cunningham) highlighted the work that has already been done to attract manufacturing industry to the region. However, what is clear from the debate, in all parts of the Chamber, is a deep suspicion of the Government's motives. The Government document consulting on the localisation of business rates contains some ringing phrases, and "No more will proud cities be forced to come to the national government with a begging bowl" has been one comment. That sounds good and, to be fair to the Government, it has some history: lots of investigations into local government finance have suggested more control and more autonomy for local councils. So why are we so suspicious?

In the first place, the Government have form, do they not? In their Localism Bill, we saw all the fine phrases about devolving power to local authorities and more autonomy, yet the Bill contains 100 new powers for the Secretary of State. Their local government finance settlement manages to centralise power and devolve blame. Now they are trying it again. The whole local government resource review is based on a wrong premise. It says clearly that

> "local authorities can be reluctant to allow commercial development and promote economic growth."

I say to the Minister: name one. I know of no local authority, especially in the north-east, that is not desperate to attract jobs and growth.

The reason why our economy is not growing is not local authorities; it is this Government's policies, which have made it flatline and stifled growth. What is more, the Government do not have a plan for growth. In fact, they are proud of not having one; they tell us there is *no* plan B. We are back to the '80s and our old friend TINA—"There is no alternative". Local authorities did not cause that recession, and they did not cause this one.

We will scrutinise the Government's plans carefully. We support measures that stimulate growth but, as with all this Government's policies, the devil is in the detail, and the detail is often well hidden. The Government propose to set the baseline using the 2012-13 formula grant. It must come within the expenditure controls set out in the 2010 spending review, but that spending review is inherently unfair to many local authorities. It began by making in-year cuts to specific grants in 2010, which mostly targeted the most deprived local authority areas, and over the next two years, it will make spending cuts in the most deprived authorities. Newcastle city council has produced a heat map showing where the cuts will fall: the north-east, the north-west, Yorkshire, part of the midlands and inner-London boroughs. Funnily enough, most of those places overwhelmingly vote Labour. I am sure that that is entirely coincidental.

By 2012-13, the cumulative cuts in per capita spending will be £183 in Hartlepool and South Tyneside, £156 in Middlesbrough and £144 in Newcastle—I could go on—although the national average is £47 and the average in the south-east is £31. The Government are starting from a position of unfairness before introducing their top-ups and tariffs. They say they will include equalisation, but no system can be fair unless it starts from a fair base.

Moreover, the Government will give no assurance that local authorities will not lose out after the first year. The Deputy Prime Minister told the Local Government Association:

"The new system will start on a level playing field. Where you progress from there is up to you."

Life is simple for Liberal Democrats, is it not? Both those sentences are wrong. We will not start with a level playing field, and it is not entirely up to local authorities how they will progress, as hon. Friends have mentioned. Some local authorities already have a large business rate base. Westminster has been mentioned. If it got all its business rates back, it would be £1 billion better off. By comparison, Hartlepool receives £13 million more than it collects. That is equivalent to 18 more supermarkets, which I doubt Hartlepool could sustain. Newcastle would be £39 million short, or the cost of 16 airports.

Even that is not the whole story. We know that councils that already have a large business rate base find it easier to attract more investment. Westminster, with its multi-million pound national and international company base, finds it easier to bring in investment than Consett does. Cambridge, which has a fine high-tech hub centred on the university, is much more likely to attract more such firms than a council starting from scratch. The worry is that, if the Government get it wrong—to be honest, their record so far is not encouraging—they could increase the gap between north and south. Tony Travers of the London School of Economics said to *The Times*:

"The risk is that northern authorities will find it impossible to attract businesses as fast as councils in the south. If that happens, the gap between the south and north will widen".

The Government say they will deal with that using a levy on disproportionate gains. Let us be clear that they are discussing recouping not the whole disproportionate gain but only a share of it, and that the review contains no definition of "disproportionate" or any clarity about how the levy will work. They say that it could be 1p in the pound. In that case, local authorities with a high tax base will generate much more revenue from the same amount of growth than those with a lower tax base. The levy could work similarly, but place local authorities in bands. In that case, we will face the problem of a huge disparity between local authorities at the top of one band and those at the bottom of the next. The Government say that the levy could also involve an individual rate for each local authority. They could change the ratio of business rate growth to revenue growth. Would that not be returning to the central control that the Government say they want to avoid?

The Government want the power to reset the system. It is obvious that resetting will be necessary. Hon. Friends have asked for clarity on that. The Government say that they might reset the system based on a completely new assessment of need rather than on formula grant. If I were still serving on a local authority, a shiver would go down my spine at that. This Government have shown no capacity to assess need properly in any of their decisions on local government finance. The system is open to yet more political manipulation and interference.

The other point, as hon. Friends have mentioned, is whether business rate growth is a proper test of economic growth. The Government's proposals would make large retail developments much more attractive to local authorities than manufacturing, because they generate higher income. There would be no similar incentive to develop manufacturing or to support small businesses, despite the wider benefits to the community. We need such businesses. We need the skills that they generate, the exports that they develop and the effect that they have on the supply chain, just as we need the innovation that comes from small, high-tech companies, yet the proposals carry a risk that local authorities in the north-east and elsewhere could lose out by supporting the growth that the country needs. As hon. Members have said, retail in the region will generate between £800,000 and £1 million per hectare, while manufacturing and small businesses will generate between £100,000 and £200,000. I say to the hon. Member for Redcar (Ian Swales) that it has nothing to do with the space that businesses occupy. We are talking about returns per hectare.

Regional growth often depends on national policies. Northumberland, for example, has a sparse population, a huge national park and poor infrastructure. In order to grow, it needs huge national investment in infrastructure, yet we have heard nothing from the Government about how they propose to make that necessary investment, nor have they told us how they will manage risk in the system. Most importantly, we have heard nothing about need, or about the services that local authorities must provide for the elderly, children and families in distress. The huge question that the Government are ignoring is this: if a local authority's future income is linked to business rates, what will happen if a big business fails and the anticipated level of growth is not reached?

We will support a sensible review of local government finance, but as usual this Government are going too far, too fast. They have a system that begins with unfairness, that is progressing through muddle, and that has the potential to lead to a postcode lottery in services. They have to think again.

10.50 am

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): It is a pleasure to serve under your chairmanship, Mr Amess. I congratulate the hon. Member for Sunderland Central (Julie Elliott) on securing the debate. I think that this is the second time that she and I have found ourselves discussing matters of importance to the north-east in this Chamber. The proposed reforms are important, not just for local authorities in the north-east but, as some Members have noted, for areas throughout the country. There are implications beyond the north-east.

I thought that there was general agreement and consensus that this country has the most centralised and complex local government finance system in the world, with the possible exception of Malta, which has a much simpler governance structure in any case. In all my time in local government—I served on three different local authorities in the north-west of England—I never liked the decisions of any Government on local government finance. I have seen a series of disastrous mistakes, resulting in more power and responsibility being taken away from local authorities and their being subjected to choices—sometimes arbitrary and, clearly on many occasions, not taking account of local services—made in Westminster and Whitehall.

Mr Iain Wright: Will the Minister give way?

Andrew Stunell: I will give way to the hon. Gentleman, who is a former Communities and Local Government Minister and one of those who has delivered so many arbitrary decisions to people like me.

Mr Wright: I am grateful to the Minister, who is my successor at the Department for Communities and Local Government. Does he think that, with tariffs, top-ups, resets and redistribution, the system that he has to implement will be less complex than the current system?

Andrew Stunell: Yes, most certainly. It will be transparent. I think that the hon. Gentleman, for whom I have a great deal of respect, knows that the formula system, which was made even more convoluted during his period in office, has clearly passed its sell-by date. It is impenetrable, even to chief finance officers of local authorities, not to mention voters on the street.

In the time remaining, I will explain some of our proposed scheme's features and talk about the consultation process. The aim of the proposals is to change the dynamic from a centrally controlled system to a locally controlled system. That is the purpose of the reform.

Alex Cunningham: The Government do not let local authorities set the business rate and they dictate the council tax through freezing, so where is this great accountability and devolution of power to our elected councillors when it comes to finance?

Andrew Stunell: I do not want to go too far astray, but I point out to the hon. Gentleman that the referendum proposal in the Localism Bill, which will change who is accountable to the local electorate for excessive council tax rises, is a huge transfer of control from Whitehall to local communities over the council tax income-raising power of councils. The transfer of business rate distribution from a formula determined by central Government to one that gives local councils a real incentive to build their own income base is a fundamental change in both of the aspects that have been mentioned. I am sure that the hon. Gentleman, like me, would like to go much further than that, but let us be clear: these are significant steps.

The consultation was published on 18 July and was backed up by the publication of eight technical papers on 19 August. They included an interactive, electronic paper that allows councils to feed in different parameters of the consultation so that they can establish what the outcome would be for their local authority. I can only suppose that local finance officers in the constituencies of certain Members who have spoken during the debate have not shared that information with them, because there is a clear gap between the worst possible case constructed by that interactive model and the worst case presented in this debate.

I want to make it clear that the baseline will be based on the formula grant that would have been received by a local authority had there been no reform of the system, and that it will be neither better nor worse than that. We made that clear in the consultation. That baseline will not get lost in the future, so local authorities in the north-east will have it as their fixed point for the future. Once we get beyond the period of the comprehensive spending review, growth beyond that baseline will be theirs to have.

Mrs Hodgson: The Minister is short of time, so I am grateful to him for allowing me to intervene. Will he clarify whether Sunderland will not be worse off by £60 million, but that we will retain our current funding level, upon which we can grow?

Andrew Stunell: That is exactly what I said and it was clear in the consultation document from the very beginning. I am sure that the former Minister, the hon. Member for Hartlepool (Mr Wright), had his tongue in his cheek when he said that he thought that Hartlepool faced a drop of £13 million. That is not the case. If the figure for Hartlepool is £40 million—which is the figure that he quoted—that is the baseline from which all further development for Hartlepool will be taken.

Helen Jones: The Minister is being generous in taking interventions. Will he confirm that the only promise from the Government is that local authorities will not lose out in the first year that the scheme comes into operation? There is no guarantee after that first year.

Andrew Stunell: The hon. Lady misunderstands what the Government have said. The baseline is fixed permanently in the system. The losses and gains come from changes in the business rate income that an authority might receive. I point out to Members who represent constituencies in the north-east that, over the five years from 2006, the total business rate income in England rose by 5% per year—not 5% overall, but per year—and by 5.1% in the north-east. In other words, the rise in business rates in the north-east during that five-year period was greater than that in England as a whole. Furthermore, a rise of 5% per year is significantly higher than RPI, CPI or, indeed, any rise in formula grant that any of those authorities gained. This is not a zero-sum reform. Beyond the CSR period, there is every prospect that the north-east will do well out of this system of having an increasing flow of business rates.

A number of points have been made about whether or not this is an incentivising system. If, during that five-year period, the north-east was able to secure an annual rise of 5.1% in its business rate income without any incentive, it seems to me that, even if the incentive effect turns out to be quite weak, it is likely to be better than that, than RPI and than the increase in formula grant, which the previous Government, in their munificence, decided was appropriate for north-east authorities. It is important that we nail some of the misunderstandings that have arisen.

My hon. Friend the Member for Redcar (Ian Swales) made the point that the regional growth fund is active and effective. Fourteen companies in the north-east have had support, and that will provide more than 5,200 direct jobs and 8,300 indirect jobs.

The Chief Secretary to the Treasury has announced a £500 million growing places fund for infrastructure in England, for which local authorities in the north-east will be eligible. I am sure that the hon. Member for Tynemouth (Mr Campbell) will make sure that his local authority makes a suitable proposal to deal with the roundabout on the A19 that he mentioned.

The consultation is still—

Mr David Amess (in the Chair): Order. It is time for the next debate.

Sex and Relationship Education

11 am

Andrea Leadsom (South Northamptonshire) (Con): It is a pleasure to serve under your chairmanship for the first time, Mr Amess. I am delighted to have secured a debate on the important issue of what is being taught in our primary schools about sex and relationships. There is no doubt that children need to be taught about sex and how to be responsible and safe, as we try to tackle issues such as teenage pregnancies and sexually transmitted diseases. However, experiences in my constituency, as well as organisations' campaigns such as "Too much, too young", have highlighted material being used that is completely inappropriate and that sends out totally the wrong message.

At the moment, schools often ask their local authorities to recommend material, but there is no process for sourcing age-appropriate material; instead, material that may be completely inappropriate is provided by unlicensed suppliers for use in primary schools. At a time when there is widespread concern about the sexualisation of childhood, using sexually explicit and inappropriate materials in primary school classrooms can only make things worse.

The aim of holding this debate is, first, to call on the Government to make sure that material taught in primary schools is appropriate, not sexually explicit and not exploitative of our young children. Secondly, I would like to ensure that school governors are required to be actively aware of what kind of material is being used in their schools and to take a sensible and responsible view on the matter. Thirdly, and most importantly, I want parents to be able genuinely to have their say and to be made actively aware of what kind of sex education is being taught to their children. I want there to be a system whereby parents take a decision on whether to allow their children to be taught sex education and have to opt into the lessons, rather than having to opt out as is the currently the case.

Before I am accused of putting too great a burden on hard-working parents, let us not forget that all of us with school-age children—I have three of my own—are expected to sign up proactively to music lessons and school trips. Therefore why should we not have to proactively sign up to one of the most important learning experiences of a child's early life?

Kevin Brennan (Cardiff West) (Lab): Notwithstanding the hon. Lady's point about the opt-out for parents, does she think that all primary schools should teach sex and relationship education?

Andrea Leadsom: It should be for the schools, the parents and the governors to make that decision as is appropriate for their school. There is no one-size-fits-all solution.

Moving on, at the moment, parents can only choose to opt out of SRE, and I have been given several examples in my constituency alone of instances where parents have been made to feel extremely uncomfortable for deciding that they do not want their children to attend SRE lessons.

I am a huge fan of our Government's localism agenda and I want to make it clear that I am not trying to change the way decision-making for SRE is delegated to schools and parents. It is entirely right that we should trust our local communities to run local services and to make the correct decisions. I also absolutely do not advocate censorship and do not want central Government dictating to every school what is appropriate. However, guidance should be given to aid local authorities, school governors and parents in finding the right material to use in SRE in our primary schools.

So what is the best form of guidance? We already have the perfect template that we can follow and implement with minimal distraction or disturbance: that of the British Board of Film Classification. That organisation does an excellent job of classifying films, videos and DVDs, and it has done so since it was set up in 1912. The BBFC gives guidance on what is suitable for certain ages in cinemas and for home viewing. It is important to note that rather than being a body of censorship, the main job of the BBFC is to guide and classify films. Statutory powers on film remain with local councils, which may overrule any of the BBFC's decisions. Local councils can pass films the BBFC rejects, ban films it has passed and even waive cuts, institute new ones or alter categories for films exhibited under their own licensing jurisdiction.

The BBFC bases its classifications on three main qualifications. First, it considers whether the material is lawful. Secondly, it considers whether the availability of the material at the age group concerned is clearly unacceptable to broad public opinion. It is on that basis, for example, that the BBFC intervenes in respect of bad language. Thirdly, and perhaps most importantly, it considers whether the material either on its own or in combination with other content of a similar nature may cause any harm at the category—in other words, the age—concerned. That includes not only any harm that may result from the behaviour of potential viewers, but any moral harm that may be caused by, for example, desensitising a potential viewer to the effects of violence, degrading a potential viewer's sense of empathy, encouraging a dehumanised view of others, suppressing pro-social attitudes, encouraging anti-social attitudes, reinforcing unhealthy fantasies, or eroding a sense of moral responsibility.

Those criteria are all directly taken from the BBFC's categorisation of its own activities. Regarding children, harm may also include retarding social and moral development, distorting a viewer's sense of right and wrong, and limiting their capacity for compassion. All of those things are taken into account in the BBFC classifications and I would like those criteria to be applied to the material being used in our primary schools to teach SRE. The BBFC, with its 99 years of experience, should be asked to implement such measures.

So why do I think that that is necessary? Currently, schools are teaching SRE to young children with the best of intentions. However, it has been brought to my attention by numerous people in different organisations that some of the material being taught to children as young as five is completely inappropriate. I have seen cartoons of two people engaged in sexual activity with the caption:

"here are some ways mummies and daddies fit together".

Other images depict two cartoon characters locked in an intimate embrace accompanied by a vivid explanation, using sexual terminology, of the act of intercourse. As well as cartoons, I have been shown a video of two people engaged in intercourse with a child's voice over

[Andrea Leadsom]

the top saying, "It looks like they're having fun." I have also been shown leaflets given out to primary school children that give graphic definitions of orgasms, masturbation and prostitution. That is the kind of material being taught to children as young as five and there are accounts of the traumatic experiences of those children, who have been put off having boyfriends and been left thinking, "Do grown-ups really do this? It looks absolutely horrific."

Diana Johnson (Kingston upon Hull North) (Lab): I am listening very carefully to what the hon. Lady is saying. Has she come across some of the very good materials being used in the classroom that concentrate not on the biology of sex, but on relationships, children being kept safe, appropriate touching and things like that? For a five-year-old, that is much more important than the obsession some people have with the biology of sex.

Andrea Leadsom: I completely agree with the hon. Lady on that point. Of course, there is some excellent material. As I said, schools are teaching SRE with the very best of intentions. The problem is that there is no licensing regime and no sense of appropriateness of the material. A wide-range of material is used, with varying amounts of intervention and careful analysis by schools, parents and governors.

Stephen Gilbert (St Austell and Newquay) (LD): My hon. Friend says, on the one hand, that she wants to see a national licensing system and, on the other hand, that she thinks schools should be able to decide for themselves. Are those two positions compatible?

Andrea Leadsom: I think that they are. I am not talking about a national licensing regime; I am simply talking about material that is used in schools being rated as age appropriate by the BBFC. By the same token, I do not know if my hon. Friend has any children, but if he does and he wanted them to watch 18-rated videos when they were only 12, that would be down to him as a parent. However, he would take such action with the clear understanding that the BBFC does not consider that to be appropriate for his children. Likewise, I will not show my seven-year-old videos that are above the relevant classification. I take the advice of the BBFC and only show my children things that are deemed to be age appropriate for them. My point is that there is no such guidance where SRE is concerned. At the moment, it is left to county councils, schools, governors and parents to make that decision. Parents and governors are often very busy and do not look at the material that is being shown to their children, and some of it is extraordinarily inappropriate.

Alison Seabeck (Plymouth, Moor View) (Lab): I apologise for missing the beginning of the hon. Lady's speech; she may well have already answered this question. What discussions has the hon. Lady had with the BBFC about whether it would want to take on this additional work?

Andrea Leadsom: I confess that I have not spoken to the BBFC. If the BBFC's responsibility for rating a particular type of output was changed, I am certain that, as a licensing authority, it would be happy to do that. In a previous parliamentary inquiry on internet porn, the BBFC talked about what it could do to help in relation to inappropriate websites. It would be willing if it was asked, appropriately resourced and paid, so I do not consider that that is an issue. However, the hon. Lady makes a fair point that I will take up with the BBFC if the Minister of State, Department for Education, the hon. Member for Bognor Regis and Littlehampton (Mr Gibb) is minded to respond in a positive way.

I, and many parents who have contacted me, find that such material, shown to children as young as five, completely inappropriate. What should we be talking about in SRE lessons?

Kevin Brennan: The hon. Lady has cited specific material that she has seen. Will she tell us how prevalent the use of that material is, who produced it and what schools it is used in?

Andrea Leadsom: The hon. Gentleman will forgive me for not citing schools, because some are in my constituency and, as I have said several times, schools are teaching SRE with the best of intentions. There is no intention to harm, but I have talked to head teachers in my constituency who have said that they feel that the guidance they have been given is lacking, and that they would have appreciated more instruction on what is age appropriate in this very sensitive area.

Headmasters raised a separate issue, which is that many teachers find it extremely difficult to go through this type of material with very young children. They find it easier to provide something that, in response to the hon. Gentleman's question, is often produced by television stations. For example, Channel 4 has provided some sex and relationship education, as has the BBC. However, such material is not licensed, so it is left to the discretion of schools, which feel ill-equipped to make the decision, as to what is appropriate for a seven-year-old. The hon. Gentleman will know as well as I do that, unless one happens to have a seven-year-old, which I do, one cannot really project oneself into a seven-year-old's shoes very easily and decide what is appropriate for them. It would be far more helpful to have guidance from an organisation such as the BBFC, which has been providing guidance for 99 years.

Annette Brooke (Mid Dorset and North Poole) (LD): I congratulate the hon. Lady on securing the debate. Does she agree with me that the starting point ought to be about training teachers? I would not want my grandchildren to have sex and relationship education given by people who were not qualified to do so. Training teachers has to be the starting point. It would then follow that the best packages of education would be chosen.

Andrea Leadsom: My hon. Friend makes a good point. That is a significant concern for some schools. They lack confidence in knowing for sure what material is appropriate for each age group. I do not need to explain to the Chamber that that varies with age. What one might show a 13-year-old is vastly different from what one might show a seven-year-old. This is what I am trying to get at—the specific point about age-appropriate material. From the contact I have had, that is a big concern for schools and parents.

Diana Johnson: My experience is that in the best schools head teachers buy in experts who know what is age-appropriate and bring in the relevant materials. Is that the hon. Lady's experience? I saw a very good Catholic school in south London use such expertise not long ago. That would fit with the Government's agenda around schools buying in services and getting the best expertise they need.

Andrea Leadsom: The hon. Lady makes another good point. That could certainly be one way of addressing the problem. However, I still advocate an easy and uniformly good way of dealing with the issue, which is to have some sort of classification of material from which all schools can benefit. As we know, some schools are more engaged with this issue than others. Some head teachers are more knowledgeable than others, and some governing bodies are more proactive than others. We need a level playing field, so that all schools have access to good advice without having to go out and seek the experts. Schools have said to me that access to experts is simply not there. When they talk to their county council about what to do on this subject, it often has no real advice for them, other than to point them in the direction of unlicensed material.

David Simpson (Upper Bann) (DUP): I congratulate the hon. Lady on securing the debate. It is an excellent idea for outside bodies to come into primary and secondary schools. In Northern Ireland, we have an organisation called Love for Life, which is approved by the health service and the education board to go into schools to teach children about relationships. However, it does not go into primary schools to deal with the explicit details to which she has alluded. Bringing in an outside body is one way of doing it, as I am sure she will agree.

Andrea Leadsom: I agree that that has some merit and is worth consideration. Equally, there is a counter argument that for very young children in primary schools, it is a fundamental principle to have one teacher for almost every subject. When introducing such an enormous topic as sex and relationship education to very young children, there is a case for sticking with the teacher pupils know and are often very fond of. To bring in an outside expert, no matter how sensitive and well informed, could be counter-productive in primary schools.

What should we be talking about in schools? We are talking today about sex and relationship education. I agree completely that, when we deal with the issue of teenage pregnancies and sexually transmitted diseases, our schoolchildren have to be aware of those issues and how to prevent them. Sex education is vital. However, relationship education is equally, if not more, important, particularly at a young age. Nowhere in the material that I have seen has there been any emphasis on building relationships. We should be teaching children primarily about relationships. We should be teaching them about emotions and responsibility. Our children need to understand that as well as fun, happiness and contentment, sex and relationships can evoke other feelings, such as jealousy, sadness and guilt. Our children need to understand that sex is almost always better when you are in love, or when you are in a committed relationship. Unfortunately, a lot of what is being taught at the moment does not address those issues.

Finally, I want to consider who needs to have a say in what our children are being taught. I am concerned about the number of constituents who have said to me that they had no idea what was being taught to their children, and that when they found out they were horrified. I have three children. I allowed them to go to their RSE lessons and I have no idea what they were taught. I put my hand up to being a busy mum who was invited in one morning, on a work day, to watch what the children would be watching and who did not take the school up on the opportunity. The expectation that all parents have is that school knows best—it knows what it is doing, is best placed to do this, and that that is great as it gets me out of that extraordinarily awkward conversation.

Many parents have told me that they were completely horrified when they finally found out what their children were being taught. I believe that schools are acting with the best of honourable intentions, and I am not about to lay the blame at head teachers' doors. Parents must share the responsibility, and there must, therefore, be better communication with them. They need proactively to know what their children are being taught on such a sensitive issue. Only parents can decide whether their child is ready to be taught about this subject. All of us who are parents and grandparents know that children mature at very different ages, and something that one seven-year-old finds funny and entertaining and is mature enough to deal with might not be appropriate for another.

Parents often simply trust schools and assume that they know best. That is no bad thing, but we must help schools to make the best decisions. Teachers and governors must make the decisions about whether material is appropriate, just as parents must be aware of what their children are being taught. We have the assumption that if parents are uncomfortable with the material they can opt out of SRE lessons for their children, but there should be the assumption that parents opt in, particularly for primary school children. Parents have to opt in to music lessons, school trips and even school lunches; no one assumes that they can take a child rock climbing or to a music concert without explicit consent.

Annette Brooke: I am concerned that a child living in an abnormal situation, with abuse taking place, will not know what a normal situation or normal touching is. If we have an opt-in, is there not a danger that such a child will have a prolonged life of misery?

Andrea Leadsom: My hon. Friend makes a fair point, but the problem with it is that we are saying that to catch the small minority for whom sex education might make a difference to what is going on at home we must inflict potentially inappropriate SRE on all children. I have quite a degree of knowledge of, and have had a great deal to do with, such situations through my nine-year chairmanship of the Oxford Parent Infant Project, a charity that has helped families in potentially extremely dangerous situations for many years. Simply forcing these children to have sex and relationship education at school will not make the difference—turning them into whistleblowers or giving them the ability to stop what is going on at home—and the harm done by inappropriate material could outweigh that potential. We should not inflict that type of material on all our children for the sake of, what I consider to be, a vain hope.

[Andrea Leadsom]

I want to see all material used in sex and relationship education in primary schools licensed and given some kind of classification, and school governors and teachers deciding what is appropriate to teach on the basis of that guidance, and I want parents to be given the appropriate information and the final say on whether and when their child should opt in to SRE.

I would be grateful for the Minister's thoughts, first on whether a classification system that used the BBFC's certificates could be implemented for SRE material in primary schools, to ensure that the material was suitable and conveyed the right message and had a guide to what age it was suitable for. Secondly, I would like to hear his comments on a commitment to provide clear guidance to schools that would ensure that not just sex but relationship education was properly taught, including the discussion of emotions and consequences, and of the benefits of love and committed relationships. Thirdly, I would like to hear his comments on a requirement that governors and teachers work together to decide what material is appropriate, and on having a cast-iron guarantee that parents will be properly informed of the full facts about what their children are taught, and be allowed to make the final decision on whether it is the right time for their children to opt in to SRE, rather than their having to opt out. I look forward to his response.

11.24 am

Diana Johnson (Kingston upon Hull North) (Lab): I have listened to the hon. Member for South Northamptonshire (Andrea Leadsom) with interest, and feel that the ideas of a licensing regime and of parents opting in to sex and relationship education ought to be discussed. However, I am not convinced that that is the way to go on this important subject, and I am concerned about examples being cited of inappropriate information or resources being given to very young children. I have yet to be given explicit details of the schools, areas, teachers and materials involved, but I am open-minded, and if that evidence is available I would like to see it. Many comments are made, but where is the evidence that this is a problem in schools? I am concerned that we are not looking at the actual evidence. We should trust our teachers; our teaching profession is better educated and better resourced than it has ever been, and in most of our schools, most of the time, really good work is going on, especially in primaries. Teachers, on the whole, do their best, and use appropriate resources.

In the previous Parliament, there was an opportunity to make personal, social and health education compulsory in all primary and secondary schools, which would have ensured that the subject was given proper consideration and that resources followed. PSHE teachers could have been expected to be properly trained and have the necessary resources to deliver that part of the curriculum. In the last few months of the previous Government, I was the Minister trying to take the measure through Parliament and I was disappointed because we ended up with the Conservative party refusing to back what was a very sensible proposal. There was a specific issue with sex education, but, as the hon. Lady mentioned, there is the opportunity for parents to opt out. A parent can withdraw a child up to the age of 18, and the Government must consider the legal anomaly that that creates, because at 16 a young person can have lawful sexual relations. I hope that the Minister comments on that when he deals with the hon. Lady's suggestion of opting in, because there is a knock-on effect.

Andrea Leadsom: On a point of clarification, I am looking for an opt-in in primary schools, for children up to the age of 11, and I share the hon. Lady's concern about an opt-out up to the age of 18.

Diana Johnson: I am pleased to hear that because this whole area needs to be considered carefully. I am disappointed that the Government have so far turned their face away from addressing the important issue of teaching to produce rounded individuals, rather than narrowly focusing on the academic side. Our schools play an important part in educating children in the issues they will face as they become adults. I accept that the hon. Lady is dealing with primary schools in this debate.

Annette Brooke: I concur with the hon. Lady. I supported her in her desire to strengthen our PSHE, and during that time I found it bizarre that the teaching of the mechanics of sex was compulsory in the science curriculum but that the teaching of sex and relationships, which must be taken together, might not happen. Does she share my concern?

Diana Johnson: I pay tribute to the hon. Lady, who has long championed PSHE and children being given the information they need to make safe and good choices.

The hon. Lady is absolutely right: young people are taught the mechanics of sex under the science curriculum, but important issues such as relationships, confidence and saying no are not dealt with. In debates in the previous Parliament, the Minister, who is a decent and honourable man, took a close interest in this area. I hope he will say whether the Government are minded to include this in their review of the national curriculum.

In the good schools I have visited, parents and governors are very much involved in this issue. Parents can look at material and see what goes on in PSHE classes, and we should build on that rather than thinking about an alternative licensing regime.

Alison Seabeck: On access to information and a classification, the Sex Education Forum's website is accessible to teachers, parents and governors. It sets clear criteria on relationships and the appropriateness of material, including whether it is age-appropriate. Does my hon. Friend recommend that people visit the site as a starting point?

Diana Johnson: My hon. Friend makes an important point. I think that that resource is well used by the teaching profession, and if people are struggling it is one of the websites people can visit.

I visited a Catholic school in south London. Its head teacher was fully engaged with parents, and as a Catholic school it has to ensure that particular sensitivities are addressed. He reassured parents and governors that what was happening in the school was good and fine and that the children were benefiting from it. PSHE is taught throughout the school. Children in the class I visited were given different items of clothing, and an

expert who had been brought in was discussing which bits of clothing people would wear. It was fun, interesting and educational, but it had a serious point because they were discussing parts of the body and what clothing was used to cover them. It was age-appropriate and it allowed children to name parts of the body without embarrassment—without sniggering and laughing. The lesson was well organised, and the Catholic church and that school should be congratulated on their approach to SRE and PSHE.

The Department of Education might consider spreading that practice around other schools, but it is important that we begin in primary schools by talking to children about the key issues of relationships, keeping them safe and giving them the confidence to make wise choices. I agree with the hon. Member for South Northamptonshire about inappropriate materials not being used, although I am a little unsure about whether that happens. Most schools do their best and use appropriate material. Teenagers tell us that they wish they had received information much earlier about being confident about their bodies, about relationships and about what is acceptable. A survey recently conducted by one of the big charities showed that a high number of young women were in violent and verbally abusive relationships. I am greatly concerned that we are not giving our young women the confidence to say, "I am a valued human being and I won't put up with this behaviour."

Andrea Leadsom: I strongly agree with the hon. Lady: we cannot teach the mechanics of sex without teaching the relationship that goes with it. She gives an example of what happens if children are led to think that sex is fun and everyone does it without their being told that there are inappropriate sexual contacts; that they can end up feeling used, dirty and awful about themselves; and that somebody can deliberately put them in that position.

Diana Johnson: I think we can agree on that point.

The Government's national curriculum review of primary education should consider whether this subject should be formally included in the curriculum. I do not want to pre-judge the Minister, but I suspect he will say that it will not be. The vast majority of people accept that giving good information to primary school children can help to deal with problems in secondary school. The rate of teenage pregnancy in my constituency is still too high and there are too many young people in inappropriate relationships. Let us start to deal with this issue early and let us get it right for our young people.

11.36 am

Stephen Gilbert (St Austell and Newquay) (LD): It is a pleasure to serve again under your chairmanship, Mr Amess, following our many deliberations on the Committee that considered the Localism Bill.

I congratulate my hon. Friend the Member for South Northamptonshire (Andrea Leadsom) on securing this important debate. Although I am not a parent, I am an uncle to two children and a godfather to two more. I think we all agree that good parenting is about protecting childhood and preparing children for the future. I should like to explain what that future might be as some young people grow up.

Last year, young people—who form just 12% of the population—accounted for half of all sexually transmitted infections in the UK. Twenty-five per cent. of sexually active 15 to 24-year-olds test positive for chlamydia; 75% of 16 to 24-year-olds report not using condoms when they have sex; in 1990 the proportion of women who reported first intercourse before the age of 16 was about 10%, but 10 years later the figure had doubled to 20%. The equivalent figures for men were 20% and 27%. Teenage pregnancy in the UK has been reducing in recent years, but we still have by far the highest levels in Europe.

Far from trying to move away from teaching sex and relationships, the Government should be doing a lot more to embed this, if Members will excuse the pun, in the curriculum. We talk a lot about the three Rs—reading, writing and arithmetic—but there is a fourth R that is equally important if we are to create happy and confident young people: relationships.

We know that good SRE gives children confidence. It teaches them about their body—how it changes as they grow up—and it gives them the self-awareness and confidence to start to combat some of the sexualised imagery and body fascism prevalent in so much of our media today. It helps to safeguard them by equipping them with the skills to negotiate safe sex and decent relationships—to understand, as my hon. Friend the Member for Mid Dorset and North Poole (Annette Brooke) said, when their relationship would not be considered normal and, at an extreme, when it might be considered abusive. It also helps them later, through biology lessons and other parts of the secondary school curriculum, to understand how to negotiate the kind of safe sex that will help to stop them from becoming one of the statistics we have all read about. I agree with my hon. Friend the Member for South Northamptonshire that SRE must be appropriate and sensitively delivered and that we must ensure that schools do not use inappropriate material, but I cannot agree with the "Too much, too young" campaign, whose tips on actions for parents at the back of its campaign material include seven ways of monitoring their child's SRE, but do not include one positive way of talking to children about relationships and the consequences of unprotected sex.

That is quite ironic. Mr Amess, you may remember that The Specials had a number one record in 1980 called "Too Much Too Young". I will not sing it, but it ends with the following lyrics:

"Ain't you heard of contraception

D'you really wanna programme of sterilisation

Take control of the population boom

It's in your living room

Keep a generation gap

Try wearing a cap."

In the 1980s, when teenage pregnancies were rising significantly, that political song of the time said to a generation that relationship counselling and education needs to be embedded much further into the curriculum.

Andrea Leadsom: On a point of information, what do those song lyrics say about relationship education? Absolutely nothing, surely. That is a complete trivialisation and part of the problem, not part of the solution. There is no relationship guidance in those lyrics.

Stephen Gilbert: I am grateful for my hon. Friend's point. I am trying to make the point that the consequence of not embedding relationship guidance at primary school level leads to the consequences of teenage pregnancies and the rise in sexually transmitted infections that so damage our society. We have to make this a continuous process, which is why I agree with Opposition Members who asked the Government to put the programme on a statutory basis.

It is a shame that debates such as this perpetuate some myths. The first is that sexual relationship education does not work. It does work, when it is established, properly resourced, appropriate and embedded in the curriculum. The second is that it leads to young people engaging in more sexual activity. All the evidence is to the contrary. Continuous, proper sexual relationship education actually helps people better negotiate the point at which they want to take part in sexual activities.

We have the notion, mentioned by my hon. Friend, that parents are excluded from the process, that somehow they do not have the opportunity to monitor and consider what their children are exposed to. Most surveys suggest that eight out of 10 parents think that their children should be receiving sexual relationship education. I think 0.04% choose to opt out at the moment.

Andrea Leadsom: I have to make the point again. I do not want to show one-upmanship—having three kids to my hon. Friend's none—but the fact is that most parents now work. Therefore, when the school invites them in on a Monday morning to come to see what the children are to be taught—when they have an important meeting with their boss—the tendency is to think that school knows best and to let it go ahead. I agree with my hon. Friend in principle that parents have the chance, but in reality life gets in the way. That is why it is important to ask parents to engage and not just, by default, go along with whatever is being taught.

Stephen Gilbert: Again, I think my hon. Friend is trying to find disagreement where there may be none. As I said earlier, I think the materials should be appropriate and they need to be monitored. I like her suggestion of a classification system. However, I do not like her suggestion that parents could opt out of something that is so important and such a fundamental part of being a fully functioning human being in the 21st century.

Alison Seabeck: We are exploring a very important point. As the mother of two daughters—one of whom went on to teach in primary school and was responsible for sex education—I think it is important that we can trust our teachers to understand what is going on in the classroom and what the children can cope with. As a busy parent, I did not get to the Monday morning meetings either; I trusted my daughters' teachers. Now we have access to the worldwide web, and there are very good sites to which parents could be pointed by the school, saying, "This is what we intend to teach your children. If you cannot come along, look at the internet." A vast number of parents—certainly the working ones—would have access to a computer and be able to do that.

Stephen Gilbert: The hon. Lady makes an eloquent point. The explosion and proliferation of modern technology make such supervisory duties much easier for all of us. In future, perhaps she will be able to do so in the Chamber from her iPad.

David Simpson: Is the hon. Gentleman aware that the research papers with which we have been presented include an article from *The Times Educational Supplement* of 13 May 2011, which makes it clear that almost six in 10 parents do not think that sex education should be taught to children at school?

Stephen Gilbert: There are occasions when hon. Members have to say, "On that point I have to disagree." Why would one not teach geology? Should parents be given an opt-out from geology or from history? If we are to create happy, confident, rounded citizens, we need to be embedding sexual relationship education from the earliest possible age. Of course, we need to do so in an appropriate way; it must be suitably delivered, well resourced and properly monitored. However, we must move away from the "No sex, please, we're British" attitude, which has so damaged individuals and segments of our society. We need to demystify sex and relationship education. We need to see it as a spectrum and I think we need to move it on to a statutory basis. I will be interested to hear the Minister's views on that. Rather than the three Rs, we should think of a fourth R: relationship and sex education.

11.46 am

Pamela Nash (Airdrie and Shotts) (Lab): It is a pleasure to serve under your chairmanship for the first time, Mr Amess.

I start in the unusual situation of agreeing with everything said by the hon. Member for St Austell and Newquay (Stephen Gilbert). I congratulate the hon. Member for South Northamptonshire (Andrea Leadsom) on calling the debate, which is crucial and timely. It is right to discuss the matter now while the Government are reviewing the PSHE curriculum.

I also speak in the capacity of chair of the all-party group on HIV and AIDS, which has long campaigned for mandatory sex and relationship education at primary and secondary level. Its members are drawn from all political parties and we are extremely concerned about the rising levels of HIV infection in the UK, and the subsequent impact on public health. It is predicted that in 2012, the number of people in the UK who are HIV-positive will hit 100,000, a quarter of whom are unaware of their status. New HIV diagnoses in young people have risen by 48% in the past decade. That is horrendous.

My generation just missed the extremely successful Tombstone campaign in 1986. When I speak to my friends about HIV, it is not at the top of their list of priorities; they do not think it can affect them. The Minister recently told the Lords Select Committee on HIV and AIDS in the UK:

> "When you have a survey that says one in four children are not taught about HIV, which is a deadly disease which can be simply avoided and simply caught, a lack of knowledge in this area is unforgiveable in our school system."

A basic knowledge of HIV is essential to all our young people. HIV sadly remains a highly stigmatised condition, with the National AIDS Trust finding that one in three people diagnosed with HIV have experienced HIV-related discrimination. Research has shown a strong association between poor understanding of HIV and stigmatising attitudes. Good, comprehensive sex and relationship education would help to improve understanding of HIV, dispel myths and thus reduce stigma.

Lord Fowler's recent Committee in the House of Lords reported that current policies to tackle HIV in the UK are "woefully inadequate". One in four young people did not learn about HIV at school, which was condemned by the Minister. Young people simply are not learning the facts about HIV and AIDS, and that has to change if we are to make any headway in reversing the number of new infections.

I shall move on to the "Too much, too young" report, already mentioned. The hon. Member for South Northamptonshire is a known supporter of the report, which she launched earlier this year. Unfortunately, many of its claims are at best alarmist, if not simply false. The campaign suggested that children as young as five are being shown explicit cartoons and taught about sexual pleasure. If we look at the small print in the report, which I have with me, it is clear that the majority of that imagery is actually suggested for older children. I have found no evidence that younger children have seen such material. The sexual health charities that I have spoken to, including the National Aids Trust, the Family Planning Association, Brook and the Terrence Higgins Trust, are not aware of any school where that has taken place. Furthermore, they would never endorse that type of teaching.

All schools currently have the right to decide which resources to use when teaching children about sex and relationships, and have the right to consult parents and governors to decide which materials should be used. The suggestion that the materials that have been referred to are used as a matter of course, or that sex education campaigners would like materials to be imposed on schools is misleading and misrepresents the excellent work that many of those organisations do in campaigning for comprehensive, high-quality and age-appropriate sex and relationship education for all children.

We might like to live in a time when children did not grow up so quickly and their "innocence" was preserved until a later stage in life, but unfortunately that era, if it ever existed, is long gone. Children are curious about sexual relationships. We cannot and should not shield them from all the influences of the modern world. If they want information, they will find it from another source: teen magazines, the internet and gossiping friends in the playground.

In a survey by UNICEF and the Terrence Higgins Trust, three quarters of young people said that they used the internet to obtain information about sexual health. That risks children receiving inaccurate information. My fear about the suggestion by the hon. Member for South Northamptonshire of opt-in sex and relationship education is that many children would miss out. They would not receive sex and relationship education at home; indeed, they might be in a damaging and abusive situation at home.

I have no interest in promoting specific sexual behaviour or introducing concepts to children before they are ready to hear about them. Children are naturally inquisitive and will ask when they are ready to be taught. Primary school sex and relationship education is essential for laying the foundations to ensure that, when old enough, young people receive good sex and relationship education that gives them the information they need to make the right decisions to protect their health and well-being. Given that we have the highest rate of teen pregnancy in western Europe—it is falling, but slowly—it is clear that we are not getting that right, so I welcome the current Government review.

I want to raise a point about homophobia and the positive role that sex and relationship education at an early stage can play in tackling homophobic bullying, which has never been more prevalent in our schools than it is today. A recent YouGov poll found that nine in 10 secondary school teachers and 40% of primary school teachers have witnessed children being subjected to homophobic bullying in their schools. In addition, 75% of primary school teachers have reported hearing the word "gay" shouted as an insult in the school playground. Such words are used commonly by children, without comprehension of their true meaning, as a form of abuse. If children are not taught from a young age about the different possibilities of relationships and about the normality of same-sex relationships, it is not surprising that they grow up with those prejudices. To become active, appropriately behaved citizens, children must learn at that age about the possibilities of different relationships.

As pupils generally start puberty at the later stages of primary school, it is important that schools have an open and intelligent approach to same-sex issues. Basic HIV education should be taught in an environment where same-sex relationships are normalised, not stigmatised or off-limits.

In a recent report by Stonewall, a London primary school teacher is quoted as saying that

"the younger it is addressed...the more receptive the children are to believing that other ways of life are acceptable. You don't have to shove it in their faces, just teach them that some people have other ways of life and it is just as normal as the ways of life they are familiar with."

Andrea Leadsom: There is an age below which children have no concept whatever of sex, so I cannot agree with the hon. Lady. A four or five-year old has no concept of what on earth sex is about. Until children are pre-pubescent at the very least, they cannot get their heads around it, so to talk to them about different sorts of sexual relationship would be entirely pointless and probably quite frightening.

Pamela Nash: I thank the hon. Lady for that intervention, but her earlier remarks showed how strongly she feels about the importance of relationship education and how sex and relationship education should be paired together. I suggest that homosexual relationships are separate from sex education and sex.

Alison Seabeck: We must also bear it in mind that there is an increasing number of single-sex families of all types. The children of those families will be in school and therefore it makes sense to talk positively about relationships in that context.

Pamela Nash: I completely agree.

Andrea Leadsom: I just want to clear this up. I am saying that people should absolutely talk about relationships, but not sexual relationships, because below a certain age there is simply no point. I agree with the hon. Lady that there is a need to talk about relationships, but there is no need to talk with very young children about sex.

Pamela Nash: I thank the hon. Lady for that intervention, but I am not clear about the difference she is getting at between relationships of another sort and sexual relationships. My understanding from what she said earlier is that she is happy for people to talk about heterosexual relationships. I am happy to take another intervention to clarify the issue.

Andrea Leadsom: I thank the hon. Lady for her patience in giving way. I am specifically talking about very young children. For them, the focus needs to be on the relationship, not the sexual act. That is where a lot of the material being shown to children now is simply inappropriate, because they really do not get it. There is a point below which a child is not old enough to conceptualise what the act of sex means. I agree with the hon. Lady that it is entirely appropriate to teach that sometimes men love other men, but it is not appropriate to teach what sometimes men do with other men, for example. That is where I am drawing the line. I am saying that the relationship side can be separate from the sexual side at a very young age.

Pamela Nash: I thank the hon. Lady for that explanation. I am talking about relationships. I suggest that no images of sex between a man and a woman, between two men or between two women should be shown to very young children, of four or five. However, I do think that it is appropriate to teach young children about relationships, including same-sex relationships.

[Mr George Howarth *in the Chair*]

Stephen Gilbert: Without wishing to continue the love-in, I agree absolutely with everything that the hon. Lady is saying. As I said earlier, I have a four-year-old nephew who, from what he has said to me, is aware or beginning to become aware of sex as well as relationships. Does the hon. Lady agree that we need to deal with the world in which we live, not the world in which we would like to live?

Pamela Nash: I entirely agree. I have had similar experiences with the young children in my family. I have stories about comments on sex and relationships that they have made, even at the ages of three and four, that it would not be appropriate to tell here. They are inquisitive and they have that knowledge. They watch television and hear people speaking. They see people around them who are in relationships that might be different from what they see at home, and they should be taught that that is okay and why it exists.

I have been looking this morning at the UN convention on the rights of the child. Article 29 refers to the following:

"The preparation of the child for responsible life in a free society, in the spirit of understanding, peace, tolerance, equality of sexes, and friendship among all peoples, ethnic, national and religious groups and persons of indigenous origin".

That is one of the rights of the child, and I believe that good relationship education is part of it and will prepare young people for a normal life.

Children must also be prepared to deal with their own sexuality. The high levels of self-harm among homosexual teenagers have been well documented. Again, high-quality and age-appropriate sex and relationship education will help to tackle that heartbreaking problem.

Let us be clear: sex education is not about the sexualisation of children, nor is it intended to promote promiscuity or a certain kind of lifestyle above another. Taught well, sex education is about teaching children the facts of life and how to handle their personal relationships.

The challenge we face is that SRE is patchy and inadequate. An Ofsted report in 2010 said that the quality of PSHE is poor in a quarter of schools and that teachers lack the knowledge and skills to teach pupils the subject effectively. My experience of sex education, which was not so long ago, involved an expert visiting my school and telling the 14-year-old girls in my class that they should not let boys touch them from the neck down. That was the message in its entirety, and I do not believe it was entirely adequate.

There is strong support from parents for teaching SRE in schools. A poll run by the Department for Children, Schools and Families in 2009—I am sorry these are the most recent figures I could get—showed that eight in 10 parents thought their children should receive SRE lessons, while only 0.04% had withdrawn their children from SRE. To conclude, we need high-quality, age-appropriate and mandatory SRE in all primary and secondary schools throughout the United Kingdom.

Several hon. Members *rose—*

Mr George Howarth (in the Chair): Order. Two Back Benchers are indicating that they want to take part in the debate. I intend to call the two Front-Bench spokesmen at 12.10. If people are restrained in their contributions, it may be possible to get the remaining Back Benchers into the debate.

12.1 pm

Fiona Bruce (Congleton) (Con): I thank my hon. Friend the Member for South Northamptonshire (Andrea Leadsom) for raising this important issue. I congratulate her on an excellent speech on a subject that is of great concern to parents in my constituency and across the country. I welcome her positive contribution and her constructive ideas, as well as the fact that she has expressed concerns about some of the educational materials in primary school classrooms.

The debate is about how, when, where and what sex and relationship education should be promoted in primary schools. Crucially, it is also about involving parents in deciding content. Equally, it is about promoting the outcome I think we all want: a generation of young people who fulfil their potential in all areas of life, including personal relationships.

Although "Sex and Relationship Education Guidance", which was published in 2000, gives schools guidance on working with parents, such work is not a requirement. The guidance says:

"Schools should always work in partnership with parents, consulting them regularly on the content of sex and relationship education programmes."

In practice, that does not appear to happen, and there is no legal requirement for schools to enter dialogue with parents. The hon. Member for Kingston upon Hull North (Diana Johnson) queried whether graphic content of the type that has been described was causing parents

concern, but a group of parents came to see me in my surgery because they were concerned about the content of the sex education materials that it was proposed to use in a primary school; I think they were based on some of the media productions mentioned by my hon. Friend the Member for South Northamptonshire. The parents felt there was no appropriate route for them to register their serious concerns about the content of those educational materials, so they had to come to see me about them. The opt-in requirement my hon. Friend proposes for parents would ensure that there was such a route.

My hon. Friend's positive contribution is welcome. The previous Government should perhaps have considered rating the content that could be used in this sensitive and delicate subject. As the hon. Member for St Austell and Newquay (Stephen Gilbert) said, the evidence shows that this country should be far from proud of its levels of sexually transmitted disease, teenage pregnancy and relationship breakdown, and one cause among others for those things may be the lack of parental involvement in our sex education content.

We should be moving towards an environment where, as my hon. Friend said, parents make a more active choice regarding the material they believe is fit for purpose for their child, and where they can actively opt into the curriculum. If they participate in that way, it might improve the dialogue between themselves and their children, which might be a better way forward for our society.

Pamela Nash: I appreciate the point the hon. Lady is trying to make about parents being more involved in making these decisions in schools, but does she not agree that the children of parents who do not opt into SRE if they are given the option will be at serious risk of receiving no SRE at all?

Fiona Bruce: If we have a satisfactory procedure, such as that proposed by my hon. Friend, schools and the responsible teachers hon. Members have described should ensure that that does not happen.

Let me add another suggestion to those that have been made. To aid parents and schools, the Government could create a website where varied sex and relationship tools and programmes could be explained. That would offer schools, governors and, above all, parents a diverse range of options. The recently launched ParentPort website is a model of how we could move forward and engage parents and others who are concerned about content. The website was recently launched by the Prime Minister as a result of the Bailey review and is aimed at helping parents to navigate the regulatory media and broadcasting framework. I was struck by the fact that within a few days of its launch about three weeks ago, 10,000 people had registered concerns. That shows the desire of many—I am sure many parents were among those who registered concerns—to have a say over such issues.

I am glad the Conservative-led coalition Government are taking their localism agenda forward. For it to be a success, an informed citizenry is required, and that is as true in respect of relationship and sex education tools as it is of any other area.

12.6 pm

Jim Shannon (Strangford) (DUP): I thank the hon. Member for South Northamptonshire (Andrea Leadsom) for bringing this issue before us, and I totally support her point of view. We live in an age of high teenage pregnancy, sexually transmitted infections and multiple partners. No man is judge of how people live their lives as adults, but there must be safeguards in place to protect the innocence of children and to keep them as children for an appropriate time.

I questioned two mothers about their children's education in primary school. One was a married mother of three, who also had a grandchild, and the other was a single mother of two, who had one child in primary school. Both told me the same thing: "Teach my daughter what is appropriate touching and what is not. Do not teach my daughter about sex when she is not even old enough to stay up past 9 o'clock." No matter what their religious background, most parents agree that primary school is much too soon to be teaching these things.

When my three boys were young, they played with their G. I. Joes—I think that was the thing at the time—and little girls played with their Barbie dolls to encourage their imagination. Now children are told that that is babyish and that they should be playing on computers and hanging about with their friends. We now have six to seven-year-old girls wanting to wear padded underwear, wearing full faces of make-up to school and wearing high heels that harm their backs, all to look like their favourite TV stars.

As we know, Primark announced it was to stop selling padded bikini tops for children as young as seven, after criticism from the general public and politicians. The company, which was criticised for its £4 bikini sets, apologised to customers and said it would donate any profits to child welfare organisations. Penny Nicholls of the Children's Society said:

> "There is a big distinction between children dressing up for fun and retailers producing items of clothing that target children and encourage premature sexualisation."

There is a clear difference, and I want to develop that point.

Last week, I attended a Prayer for Parliament and the Nation meeting in the House, as did other Members here. We were given a presentation about sex education at primary school level. It was very graphic, very physical and very technical. I am not a prude by any means, but I felt uneasy sitting watching it, and I suspect many others in the Room would probably feel uneasy, too. Thirty to 40 people were present at the meeting, and they gave examples of how their children had come home from school and told them that they could not get their heads round the sexual act; they were fearful. Let me just say, therefore, that it would be wrong to take sex education out of the hands of parents, schools' boards of governors and teachers without the agreement of parents.

In Northern Ireland we have an organisation called Love for Life, which my hon. Friend the Member for Upper Bann (David Simpson) mentioned. It talks about not the technical details but emotional relationships; and that is what we must try to do. Love for Life in Northern Ireland has been able to affect 30,000 people in their school education. That is an example of what can happen. I urge hon. Members fully to support what the hon. Lady proposes.

12.10 pm

Kevin Brennan (Cardiff West) (Lab): We have had a good-natured, interesting and informative debate. I am the father of a 17-year-old daughter, so I think about the issues in question as a parent, as well as a politician. I congratulate the hon. Member for South Northamptonshire (Andrea Leadsom) on securing the debate. She raised some interesting new ideas, including using the British Board of Film Classification to put a kind of health warning on to materials that could be used in schools for sex and relationships education. Departmental guidance about such education is clear; the hon. Member for Congleton (Fiona Bruce) read some of it out, and I wonder whether we need to nationalise—that in effect is the proposal—the classification of materials for use in schools. That seems to be the opposite of localism.

The hon. Member for South Northamptonshire said she knew of schools in her constituency that use inappropriate materials, and she went on to cite the materials, but did not say who produced them or name the schools where they were being used. There is a problem in the debate, which reminds me of the debate going on when I was a teacher in the 1980s about the teaching of homosexuality in schools, and the encouragement of children to engage in homosexuality. It was often said that that went on all over the place, and that homosexual lifestyles were being encouraged. With no evidence, the Government of the day turned that into legislation—section 28 of the Local Government Act 1988. I talked with a young male teacher who was gay, and he lived in fear of revealing his sexuality because of such legislation. If we are to have this debate, let us cite the evidence, and make that evidence clear. If inappropriate things are happening and inappropriate materials are being used for young children, that should be stopped. We can all agree about that.

Andrea Leadsom: The hon. Gentleman will recall that I said that I have the evidence but was not prepared to mention specific schools in the Chamber. He will know that the relationship between schools and parents is delicate. I can provide evidence, but will not do it on the record, for good reasons. He is being mischievous in suggesting that no evidence exists, simply because I am not prepared to have it mentioned in *Hansard*.

Kevin Brennan: My view is that the hon. Lady should put it in the public domain. If she thinks that inappropriate practices are going on in our schools, wherever they are in the country—my or her constituency, or anywhere else—and that children are being exposed to materials that could damage them, that is an important matter, of public concern, which should be in the public record. I am sorry to disagree with her, but that is how it should be.

The hon. Lady also suggested that parents should be able to exercise an opt-in with respect to sex and relationship education. My hon. Friend the Member for Kingston upon Hull North (Diana Johnson) has pointed out that there is an opt-out, which extends to the age of 18, which is an anomaly. My hon. Friend, who was an able and successful Minister in the Department for Children, Schools and Families, tried to address that anomaly, by reducing the age to 15—although she did not quite get the relevant measure passed at the end of that Parliament—so that children could have the opportunity of a year of sex and relationship education before reaching the age of consent and what was at that time the school-leaving age. That seemed to me to be an entirely sensible proposal, but it was lost in the wash-up, as my hon. Friend pointed out, along with the proposal to make sex and relationship education a compulsory part of the primary curriculum.

An opt-in system would be inappropriate. The opt-out is available, and it provides parents with the necessary protection if they are concerned about what their children are being taught. Some argue that there should be no opt-out, and I think that the hon. Member for St Austell and Newquay (Stephen Gilbert) was arguing that, but I do not agree.

My hon. Friend the Member for Kingston upon Hull North said that we need to source the evidence if we are to make accusations about the material being used in schools. If there is an accusation of widespread use of inappropriate materials for sex and relationship education we should know about it. She also pointed out the danger that, if there is insufficient sex and relationship education, young women will not be taught sufficiently to be confident about themselves and their ability to take control of their relationships, whether sexual or other personal relationships. I would add—and I am sure that my hon. Friend would agree—that it is important for young men to be taught about appropriate behaviour. When I was a Minister in the Department for Children, Schools and Families, we heard a lot of evidence from charities about the effect of the more widespread availability, in the age of the internet, of hardcore pornography, and its influence on the practices of young men, and their expectations of young women in a sexual relationship. If young men see that material in their daily lives they need to be taught that that is not necessarily how a relationship should develop. That is where sex and relationship education in school can be important—in helping young people to develop healthy, good relationships.

Jim Shannon: Is the hon. Gentleman aware of the national opinion poll, which showed that six out of 10 parents are concerned about any sex education in primary school? Those 60% of the ladies and gentlemen who were questioned suggested that sex education should start at 13. Does the hon. Gentleman accept that they too have an opinion, which needs to be taken on board?

Kevin Brennan: I do accept that they have an opinion. I am glad that the hon. Gentleman clarified the statistic, because when he spoke earlier he did not mention that it related to primary education. I am afraid that it all depends, in such situations, on how the question is asked. I think most people would understand the appropriateness of teaching children about relationships, which is what we are talking about, at an appropriate level at primary school. I know that the Minister was not very keen when the previous Government introduced social and emotional aspects of learning, but it had a huge impact on improving relationships between children. When parents are given an explanation of what is in mind, and of the scare stories and unsubstantiated scaremongering about sex and relationship education, they will change their mind.

I pay tribute to other hon. Members on their speeches. The hon. Member for St Austell and Newquay made some important points and gave some important statistics

about sexually transmitted diseases and the prevalence of sexual activity among young people. It was not necessarily wise of him to quote The Specials. I could tell him the whole lyric, which I know by heart, and it is not necessarily entirely helpful to his case, but I thank him. My hon. Friend the Member for Airdrie and Shotts (Pamela Nash) told us about her role as the chair of the all-party group on HIV and AIDS, and she too mentioned the importance of evidence in discussing the topic. She told us that the inspectorate has said that SRE is patchy and inadequate. That is not good enough, and we need to do something about it. There were also good contributions from the hon. Members for Congleton and for Strangford (Jim Shannon). The hon. Gentleman said that we should teach what is appropriate, and went on to talk about the sexualisation of young people. Sex and relationship education can help to counter such sexualisation of young people by teaching them what is or is not appropriate, and about the relevant issues. He should reconsider the issue and see the opportunity to counter the sexualisation of children.

The Opposition are disappointed that in the review of personal, social, health and economic education, the Government have made a U-turn. When we criticised the Conservatives in the wash-up for forcing the then Government and the Liberal Democrats, who supported them, to drop the sex and relationship education issue, they criticised the then Secretary of State for suggesting that they were not in favour of extending sex and relationship education. However, it turns out that they have ruled out in their review any change to the law on sex and relationship education. That is highly disappointing. There is plenty of evidence, certainly from the recent Brook study, of young people's ignorance about sex and relationships. There is also plenty of evidence from the inspectorate about why we should do something about it.

I have praised the Minister, and I praise him again, for tackling head on homophobic bullying in schools, as we tried to do, and for being the second Minister from the Department, after me, to address the Schools Out conference. He should show the same kind of vision when it comes to sex and relationship education.

12.20 pm

The Minister of State, Department for Education (Mr Nick Gibb): It is a pleasure to follow the hon. Member for Cardiff West (Kevin Brennan). I congratulate my hon. Friend the Member for South Northamptonshire (Andrea Leadsom) on securing a debate on such an important and sensitive issue. Today's debate has highlighted a wide range of views on the subject, and genuinely reflects the divergent views on the issue among the public and parents.

I fully understand the concerns of some parents, particularly those with children of primary school age, who do not want their children exposed to materials that they feel are harmful and show images that are simply too explicit for the child's age. Parents want to protect their children and preserve their children's innocence. I know that a number of hon. Members share those concerns. My hon. Friend is right when she says that we must ensure that any materials used in schools are properly scrutinised to make sure that they are suitable for young children and do not add to the sexualisation of children instead of protecting them from it, a point that was also made by the hon. Member for Strangford (Jim Shannon).

We want all young people to have high-quality personal, social and health education, including sex and relationship education. SRE is not compulsory in primary schools and we have no plans to make it so.

Although we are currently conducting a review of PSHE—I thank the hon. Member for Airdrie and Shotts (Pamela Nash) for her welcome for that review—my right hon. Friend the Secretary of State for Education has said clearly that its remit does not include making PSHE as a whole a statutory requirement. There will be no change to current sex education legislation or to the parental right of withdrawal from SRE. We believe that the current statutory arrangements strike the right balance and reflect the range of public views on a sensitive issue.

Diana Johnson: Will the Government consider tabling amendments to the law on the issue of the age of 18 and the opt-out up to that age?

Mr Gibb: No. We have made it clear that we do not intend to change legislation on the matter. When children are in full-time education, the rights of parents are important in how their children are brought up.

The review of PSHE fits within the schools White Paper strategy of devolving power and responsibility to schools and of trusting professionals. The vast majority of primary schools provide SRE, and it must be done in a way that provides the right teaching at the right time.

In developing policy, we have looked at the evidence available. In 2010, Ofsted published a report on PSHE, which found that some aspects of SRE were less well taught, particularly relationships. More positively, it found that in about two thirds of the primary schools visited, teachers used a range of resources effectively, including computers and story books, to enable pupils to discuss issues without embarrassment. Previous inspection evidence reported by Ofsted in 2007 showed that schools judged as being particularly effective providers of SRE had developed successful and constructive links with a range of support services, which could advise young people on a variety of issues and respond to their needs.

Many schools draw on expert help, as was alluded to in the debate, for aspects of PSHE in which they do not have expertise, inviting professionals such as school nurses to give sex education lessons, or external organisations that use drama to explore sensitive issues. Research from Sheffield Hallam university found that school nurses were involved in the teaching of SRE in 45% of primary schools that taught it, and other external organisations were involved in 22% of schools. That research looked into different aspects of PSHE in primary and secondary schools, including SRE.

The researchers conducted a nationally representative survey with more than 900 primary schools and around 600 secondary schools. The study looked at which aspects of PSHE were taught and how frequently. In primary schools, more than 50% taught all elements of PSHE and 40% taught some elements. More than three quarters taught emotional health and well-being every week. Other aspects, such as diet and safety, were taught at least once a term by two thirds of primary schools.

[Mr Gibb]

Three quarters taught SRE once a year or less often, with similar coverage on personal finance, enterprise and drugs education.

The study also examined aspects of PSHE in depth with nine primary schools. It found that the schools most valued official sources of support for planning or for signposting other resources. Teachers valued resources that were easy to use, enjoyable and engaging for pupils, which responded to pupils' needs and were relevant to the context of the lessons. One of the key aims of the PSHE review is to identify the support that teachers need to provide high-quality teaching. The use of resources and expert support for schools are critical in that regard.

I am aware of the Christian Institute's booklet, "Too much, too young", which was referred to by my hon. Friend the Member for South Northamptonshire. It raises the question of which teaching materials are appropriate for school children. A search of a number of the local authority websites cited in the booklet did not reveal any that had a list of SRE resources recommended for primary schools, although some had an intranet that could not be accessed externally by officials.

Local authorities tell schools about available resources in a number of ways, which may include directing them to websites where SRE resources are listed. The Sex Education Forum website has a list of resources, which includes some of those cited by the Christian Institute booklet. The Sex Education Forum website clearly advises professionals to make their own choices about which resources to use and does not endorse the resources on the list. The website also provides a list of questions to help teachers choose and use a resource.

Andrea Leadsom: Does my hon. Friend acknowledge that unless one happens to have a seven-year-old who has exactly the same mental capacity as every other seven-year-old, one cannot decide what is absolutely right for all seven-year-olds in a class? It is extremely difficult for an adult to decide what might terrify a seven-year-old, particularly as children are not all the same. Does my hon. Friend agree that some form of uniformity, by making better classification, would be extraordinarily helpful in decision making?

Mr Gibb: I will come to that and the other points made by my hon. Friend in a moment.

The questions on the website include the following. Is the resource consistent with the values set out in the school's SRE policy? Is it appropriate for the age, ability and maturity of the children? Have parents been consulted? Will the resource be used in its entirety or will it be more appropriate to adapt it and select from it?

The hon. Member for Kingston upon Hull North (Diana Johnson) asked whether such material was being used in schools, so I will talk to the Sex Education Forum and to my hon. Friend about the materials, how their content is decided and how they are used in schools. I think the SEF, with its wide range of member organisations, including those representing children and youth, faith groups, health, parenting and families, should have a perspective on such matters. I also want to explore how the range of resources available influences practice in schools, and I will talk to the makers of BBC Active and Channel 4's "Living and Growing" resources to understand how such resources are selected for particular age groups and how parents are involved.

My hon. Friend and others raised entirely legitimate concerns in the debate, and we must ensure that parents are listened to. There are safeguards in place to protect children from inappropriate materials. First, governing bodies have a statutory responsibility to ensure that schools have a policy on sex education, which, as a minimum, should give information about how sex education will be provided, any sensitive issues that will be covered and who will provide it. Secondly, local authorities, school governing bodies and head teachers must have regard to the Secretary of State's statutory, "Sex and Relationships Education Guidance". Paragraph 1.8 states:

> "Materials used in schools must be in accordance with...the law. Inappropriate images should not be used nor should explicit material not directly related to explanation. Schools should ensure that pupils are protected from teaching and materials which are inappropriate, having regard to the age and cultural background of the pupils concerned. Governors and head teachers should discuss with parents and take on board concerns raised, both on materials which are offered to schools and on sensitive material to be used in the classroom."

My hon. Friend also proposed the licensing of materials, potentially by the British Board of Film Classification. I can readily understand her wish for materials—

Mr George Howarth (in the Chair): Order. It is time for the next debate.

Community Groups (Lottery Funding)

12.30 pm

Barbara Keeley (Worsley and Eccles South) (Lab): It is a pleasure to have this 30-minute debate with you in the Chair, Mr Howarth.

I want to talk about one of the most deprived communities in my constituency and about problems in the distribution of lottery funding in general. I also want to talk about delays in using the lottery funding that could and should be helping that community but has not been doing so.

The constituency of Worsley and Eccles South is in the west of the city of Salford and it contains the ward of Little Hulton. Salford is the 18th most deprived local authority in the country, and Little Hulton is one of the most deprived wards in Salford.

Many issues need to be addressed in the area, including low levels of qualification and high levels of worklessness and child poverty. The ward also has higher than average numbers of people with limiting long-term illness, which leads to higher caring work loads for unpaid family carers. An area such as Little Hulton needs support to address such issues and to build the capacity of its community groups.

Historically, my constituency has not benefited much from lottery grants. We are ranked 624th of 650 constituencies in the award of grants for community arts and sports groups. Indeed, since 1995, lottery distributors have allocated only £6 million of funding and 262 grants to Worsley and Eccles South. By comparison, the Cities of London and Westminster constituency has benefited from £914 million and 2,231 grants, which is more than 150 times as much lottery funding to more than nine times as many groups. I notice that the Minister's Faversham and Mid Kent constituency has also benefited from at least £15 million of funding. I am sure he would agree that there is probably not as much need in Faversham and Mid Kent as there is in my Salford constituency.

This disparity in funding is unacceptable. On a number of occasions, I raised with the Big Lottery Fund my concern about how few grants were being made to community groups in my constituency. Some redress of that grossly unfair distribution was promised in July 2010 with the announcement that Little Hulton ward was to benefit from £1 million of Big Lottery funding due to its having been "previously overlooked" by the lottery. I was pleased about that, but I was somewhat concerned to hear that it might be some time before the community in Little Hulton actually started to benefit from the funding being allocated to it.

At the time of the announcement, it was said that a charitable trust would be set up. The BBC news item said:

> "It is expected that the charitable trust responsible for the lottery money will be in place by October and that projects will begin to receive funding from June 2011."

It is now nearly the end of October 2011, 15 months after the announcement of the funding for Little Hulton, yet not one penny of the lottery money has gone to the local community.

There are plenty of ways that the funding could be used to good effect, and there are people with excellent knowledge of the area who could help to suggest them. The council has a competent neighbourhood team, headed by the excellent Vincent Nash, which has a really good grasp of the issues and opportunities in the area. Indeed the announcement of the grant to Little Hulton said that the neighbourhood team,

> "played an important part in ensuring Little Hulton received the money, conducting a two hour tour for representatives from the Big Lottery Fund and explaining to them what some of the key challenges are in the area."

There is also an outreach and engagement forum, which is a network of agencies in the area. It includes community representatives who live in the area, represent local people and understand local issues. They come from different residents associations, and I have worked with them on a number of local issues. Also included is Sylvia Phillips, the chair of the community committee covering Little Hulton.

Sylvia is a life-long resident of Little Hulton and she has substantial knowledge of local issues. At the announcement of the Big Lottery funding, she was bubbling with ideas. She said:

> "One of the things we feel we'd like to do is have some sort of community resource in the centre of Little Hulton, so it's accessible to all the residents. Maybe we could have it for the old and the young, like a recording studio on one side and then there could also be a meeting room where the older people could meet...we have a good park which could be used for lots of things and the community spirit in Little Hulton is alive and kicking."

I should like to report that some of those ideas had been examined for feasibility over the past 15 months but I cannot. The 15 months have been characterised by false starts and by long periods when nothing appeared to be happening.

In August 2010, the neighbourhood management team met lottery representatives to see how they could support them in getting local people involved. It was six months later, in February 2011, that a Salford-based voluntary organisation was appointed as the lead organisation. An initial meeting was held. Twenty residents, the neighbourhood team and other partner organisations gave their views on what the trust's development funding should be used for. Sylvia Phillips tells me that she knocked on people's doors to get them to come along to that meeting. Months then elapsed with nothing happening. The residents who came to the meeting used to stop Sylvia in the street to ask her what was happening, but she was unable to tell them.

The allocation of £1 million to a deprived area that has missed out on funding should be good news, but all we have seen for 15 months is false starts and lack of progress. The Big Lottery has been unable to get a scheme going effectively, which could be because the area does not have an established infrastructure of voluntary and community organisations. Existing structures and individuals were ignored by the Big Lottery, which seemed to be looking for further community networks that do not exist in Little Hulton. The structures that exist are centred on the local council, the Churches and the schools. Salford council has established ways of reaching out to the community and engaging local residents.

I shall list the issues that I believe have caused the delays and false starts: ignoring existing structures and key individuals; searching for a lead organisation to establish the trust—that caused at least nine months of the delay; and appointing staff from outside the area

[Barbara Keeley]

rather than recruiting a paid staff member to work in the area. I have seven years' experience of the constituency and I, along with people from outside Salford, have had a lot to learn about how to work with local people. In September, a Manchester-based organisation was put forward as the lead agency and a Leeds-based consultant was appointed as the representative for the Big Local Trust in Little Hulton. What we have seen even over the past few weeks is a lack of understanding by people who come from outside the area. I do not blame them for that; it is difficult being brought into an area for the first time. It was not a brilliant start. The newly appointed people scheduled meetings for the residents in a different area of Salford. That appeared to be for the convenience of the organisers, but it confused people. There was suspicion that it meant that the funding was to be used over a wider area.

I understand the need for consultation in establishing a charitable trust such as this, but the consultation has been repetitive. A sizeable group came together in February to give their ideas and input. None the less, the agenda for the meeting in October included "involving community organisations." As I said, we do not have a vast network of community organisations.

The appointed consultant sent me a report before this debate. He said that

"community associations in the area will be approached and involved in the next phase of consultation and community visioning work."

Clearly, he is adopting a particular approach to community development that ignores the context he is in. I do not know who briefed him but such an approach will not work. At a recent meeting with residents, he suggested that they go on away-days. The residents are frustrated. They have contributed a lot to this process and they do not want to go on away-days. In fact, being taken out of their own ward made them feel as though they were on an away-day.

However, I can report some better news. The view of Sylvia Phillips and other local representatives prevailed at that meeting. They conveyed some understanding of what would work in an area such as Little Hulton. They had their own sensible ideas, including holding meetings in Little Hulton itself and not in other venues. They suggested that consultation should be done at existing community events, such as the upcoming bonfire night. They also suggested using an empty shop in the district shopping centre as a way to make better contact with local people. As I heard about these things, it seemed to me that much of the process is about basic good practice in community development. If people coming from outside the area do not understand the local context, they must listen and learn from local residents.

Even at this point, 15 months into the process, and even with the recent developments in the scheme, the focus is still on the seemingly small item of how to bid for and spend £30,000, which is a small amount of development funding, and on how to get consultation going again. It really is time that the scheme got past that stage and that residents started to see their ideas being taken more seriously. Although the £1 million has been sitting about, inflation is at 5% and the £1 million allocated to Little Hulton has already eroded in value. If we go too many months down the road, it will be worth less than the £1 million that it was worth last year.

Little Hulton is an area where unemployment, including youth unemployment, and child poverty are getting worse. We had riots in Salford this summer, although I probably do not need to remind people of that.

I understand that the Big Lottery Fund is independent, but the Government give them directions, and I believe that the Cabinet Office is currently consulting on changing those directions. In fact, I hope that the problems that the Big Local Trust has had in getting started in Little Hulton—problems that I am reporting today—can serve to inform the consultation.

The Big Lottery Fund's mission states:

"We are committed to bringing real improvements to communities and the lives of people most in need."

It also says that the Big Lottery Fund will "give money" to neighbourhoods that have failed to access cash and will let them

"decide where and how it can be put to best use."

I must say that that is not what we have seen with the Big Lottery Fund's work in Little Hulton during the last 15 months. In a flurry of criticism earlier this year, the Big Lottery Fund was criticised for spending a reported £71 million each year on its own running costs and wages for its 988 staff. The high staff salary levels were justified by the Big Lottery Fund, which said they reflected the fact that their employees were graduates who did not do "routine clerical jobs" but jobs that require

"skill and judgement, managing 26,000 ongoing projects."

Again, I must say that we have not seen much of that "skill and judgement" being exercised in the last 15 months in relation to our scheme in Little Hulton.

I hope that this report of a local situation—I admit that it is very local—is useful in showing what can go wrong. It provokes some questions about how the Big Lottery Fund is running its Big Local Trust scheme.

I have a few remaining points to make and I also have a question to put to the Minister. I believe that a better way to establish a Big Local Trust scheme in an area such as Little Hulton is to start by utilising all the existing structures in the area, including the neighbourhood management team and the Churches. I have not talked about the contribution that the ministers of our local Churches make, but it is substantial; they do a lot of work in the community. Other existing structures and representatives include ward councillors, local residents and even the local MP. I have not been consulted and nor have the local ward councillors. I would be happy to meet representatives of the Big Lottery Fund to ensure that the fund is finally going to start working effectively on the scheme in Little Hulton.

Some of the approaches used for community capacity building that I have described today, such as talk of "community visioning", may not be the way to start that work in a community such as Little Hulton. They are more suitable for areas with an established voluntary sector and where individuals are more used to going on away-days and using all those training development techniques. I do not decry those methods. In the right place, they can be very useful, but people in Little Hulton are impatient to see something get off the ground.

Does the Minister agree that a distributor such as the Big Lottery Fund, which has nearly 1,000 staff and running costs of £71 million, should understand how to establish a project to distribute funds of just £1 million in an area with fairly minimal community capacity? Also, can the Big Lottery Fund look at what has happened in Little Hulton and learn some lessons that it can apply in other deprived communities?

12.43 pm

The Minister for Sport and the Olympics (Hugh Robertson): It is a pleasure to serve under your chairmanship, Mr Howarth.

I congratulate the hon. Member for Worsley and Eccles South (Barbara Keeley), both on securing this debate and on the way that she has put her case across. Having said that, I must say at the outset that I owe her two apologies. First, I am not the Minister in the Department for Culture, Media and Sport who has been responsible for the national lottery. That is the Under-Secretary of State for Culture, Olympics, Media and Sport, my hon. Friend the Member for Weston-super-Mare (John Penrose) and I am afraid that he is away at a European meeting today. Secondly and probably even more fundamentally, because it took the DCMS some time to make contact with the hon. Lady's office and establish the precise points that she wanted to raise, we are no longer even the Department that she needs to answer her questions. As she knows, the responsibility for BIG—the Big Lottery Fund—has now transferred to the Cabinet Office. So she really wants the Minister for the Cabinet Office and Paymaster General, who is now responsible for BIG.

Needless to say, I have a wonderfully drafted speech, but it answers very few of the hon. Lady's questions. The best thing that I can do is to give her an undertaking that I will write to the chair of BIG. She can either write me a letter that I will send on to him, or I am very happy to get officials in my Department to write to him and ensure that the questions that she has put today are taken on board and that something is done about them.

At the end of her speech, the hon. Lady asked me if I thought that what has happened in her area was an acceptable way to operate. The honest answer is, "No, I don't think it is." I am not an expert on the exact administrative charges that apply to BIG. However, when BIG was administered by DCMS, as part of the comprehensive spending review we set all our non-departmental public bodies—including the two that I am responsible for directly, which are UK Sport and Sport England—a target of bringing their administrative costs down to 5% of their spend. I would be very surprised if BIG was allowed to be an exception to that at any stage in the future.

I absolutely share the hon. Lady's analysis of what has gone wrong here. It is very likely that the lottery distributor looked to an existing pattern—a form of working—that, for the reasons she has perfectly outlined, simply does not exist in Little Hulton. Therefore, having promised this money, it was imperative for BIG to find some other way to deliver it, because there is nothing more frustrating and draining for community groups than to be offered the opportunity to bid for a pot of money such as this one, which, as the hon. Lady correctly said, could and should be very profitably used in the local community—indeed, that is exactly what the national lottery was set up to do and it is why ticket sales have increased year on year, as they have done—and then the promise not to be delivered on over a protracted period of time. I am absolutely with her on all of that.

Barbara Keeley: In fact, we did not even have to bid for this money. The important thing about this element of BIG funding is that it is meant to redress the imbalance. Clearly there is a big imbalance to be redressed, whereby the constituency of Cities of London and Westminster has received £914 million of lottery funding and my constituency has received only £6 million, which is a very small amount.

What has happened in Little Hulton is an absolute indication that we do not have a community infrastructure, whereby groups are ready, able and full of the sort of people who can put bids in. There is a sort of double disappointment, that this is a scheme like the previous scheme, Fair Share, to try to redress that imbalance a little bit, but what happened is that a series of new barriers were erected. The right thing to do would have been for BIG to send someone in with some experience of community development in an area such as Little Hulton—there are people up and down the country who have that experience—and they could have tried to work with local people to develop their agenda.

Having looked at this project in Little Hulton, it seems crazy for BIG to have a scheme to distribute money in areas that have failed to bid for lottery money but then to look for a bidding organisation in those areas. That is the point, really. There will be 50 of these projects and the Big Local Trust really needs to have a different path that, as the Minister says, helps those projects to get started in areas where there is no community infrastructure. Instead, people could use councils, churches, schools and those sorts of bodies.

Hugh Robertson: I can only say to the hon. Lady that I agree with her absolutely. As she correctly said, the problem points to the fact that much of the infrastructure that would normally be needed to apply for lottery grants is simply not present. Therefore, if money is to be delivered effectively—no one wants to see money promised but not translated into projects on the ground—alternative delivery mechanisms to the normal ones will be needed. I suspect, without wishing to over-egg the pudding, she will find that that is the case not only for the areas for which BIG is responsible but for sports, arts and heritage, which are the three other beneficiaries of lottery funding, falling outside the allocation to BIG.

I can give the hon. Lady some small words of comfort: the problem is probably better understood than it was 10 years ago or at the start of the lottery in 1994, and a pattern can now be clearly established. All the national lottery distributors are aware of that. I spent an hour before I came to respond to the debate talking to Sport England about community sports grants, in connection with London 2012 and the inspired and iconic facilities, specifically concentrating on how we might get more of that money into areas where it is needed. We talked about the riots and about how we might increase the capacity for people to play sport, not only by putting in coaches and officials but by doing something about the facilities. The process has been lengthy but, slowly, some understanding has come about.

Barbara Keeley: I want to mention StreetGames—I am sure the Minister knows it—which, in my experience, has a wonderful model for going into deprived communities and getting projects off the ground. Perhaps BIG needs to be talking to StreetGames about how it does things.

Hugh Robertson: Let me immediately give the hon. Lady some comfort. It would probably be invidious of me not to name them all, but in our meeting we were talking about three organisations in that regard and StreetGames was one. When the party conference was in Manchester a few years back, I went to see a number of its projects, and I have seen it sponsor things here. Absolutely, StreetGames is that sort of provider organisation. I suspect that the problem she is facing with the Big Lottery Fund is that BIG has not recognised that other local organisations such as StreetGames in the voluntary and community area could deliver the sort of improvements for which she is looking.

I could test everyone's time in the period before lunch by reading through my speech but, given what the hon. Lady has said this morning, I am not sure that it will add greatly to the nation's sum of knowledge. By far the best thing that I can do to help her and her community is to give an undertaking. If she is prepared to write a letter to me, I will write on her behalf to the chairman of the Big Lottery Fund, telling him that I have given her an undertaking that he will meet her. We will arrange a meeting with him at which she can take up the issues directly. We might then achieve what we all want to see, which is that her community gets the money promised to it—which it clearly needs—as quickly and as efficiently as possible, commensurate with the need to account for the money correctly.

Barbara Keeley: That is a useful way forward, Mr Howarth, and I am happy to do what the Minister suggests.

Hugh Robertson: With that, I need detain the Chamber no longer.

12.52 pm

Sitting suspended.

Fire and Rescue Centres (North-West)

1 pm

Tim Farron (Westmorland and Lonsdale) (LD): I am extremely grateful for this opportunity to discuss the future of Cumbria's fire and rescue control centre. The proposal to close the control room and regionalise it in Warrington is of deep concern to my constituents in south Cumbria. It is a threat to public safety and a waste of public money.

It is a pleasure to serve under your chairmanship, Mr Howarth, and to see the Minister in his place. After our discussions about Cumbria county council's botched single-status project, he might think that this is the latest in a long line of concerns over which he has no direct jurisdiction that I have brought to him. To add to his consternation, I am here in part to praise his actions and those of the coalition Government in this matter.

The previous Government proposed a centralised series of regional control centres for fire and rescue services, which would have led to a programme of forced closures and amalgamations of fire control centres, but after the coalition formed in May 2010, the new Government called off the project after a Public Accounts Committee report labelled it an expensive white elephant. That wise decision by the Government was welcomed in Westmorland and throughout Cumbria, and it should have been the end of the matter.

Sadly, however, Cumbria county council decided to ignore the Government's sensible conclusions and proceed with the project anyway, planning to close the excellent control room in Cockermouth and keep faith instead with the white elephant in Warrington. The county council proposes in 2014 to merge all north-west fire and rescue service control centres into a single control room in Warrington, although the plans have received a severe setback after the announcement that the Merseyside services would be withdrawing from the project.

Merseyside's decision does two things. First, it undermines even further the viability of the regional model and plays havoc with the project's finances. Secondly, it provides an entirely sensible alternative model. Merseyside has chosen instead to pursue a merger within the county with the control rooms of other Merseyside emergency services. Merseyside has recognised, as must we, that there is a financial imperative. It is completely necessary to make efficiency savings in a time of financial crisis, but Merseyside, unlike Cumbria, has demonstrated a bit of lateral thinking by choosing an option that saves money and keeps the service securely within the area, protecting public safety.

Although many are concentrating on the proposal to set up the regionalised centre in Warrington in 2014, we must remember that the closure of the Cockermouth control room will come much sooner, in June next summer. The county council plans pre-emptively to close its control centre in Cockermouth and outsource its work to the Cheshire fire authority. From next summer, 999 calls from Cumbria for fire and rescue emergency support will be answered in Winsford, more than 100 miles from most places in Cumbria—that is, if we are lucky. The Cheshire service, like many other authorities, has a resilience partner, its neighbouring service in north Wales. However, as hon. Members might be aware, the Welsh services plan to co-operate in

a single service, meaning that Cheshire is looking for a new resilience partner. The favourites at the moment are Humberside and Buckinghamshire. That is where Cumbrians can expect their emergency calls to be answered by next summer, unless the county council changes its mind.

That is desperately worrying for all of us who believe that there are extremely good reasons for having a local control centre. I have no doubt that the people and technology in Winsford, Warrington, Wycombe or wherever Cumbria's 999 calls might be answered will be excellent. I am in no way suggesting otherwise. However, it is also the case that the team at the Cockermouth centre are outstanding professionals who have shown immense dedication to our county week in, week out, particularly recently, when they have made an amazing difference by responding to catastrophic floods in 2009, the Grayrigg tragedy in 2007 and various other tragedies and near-tragedies off Cumbria's coast, especially in Morecambe bay. It is peculiar for Cumbria county council to say thank you to those who have played a huge part in saving lives by outsourcing their jobs and moving their entire operation to the other end of the region.

The main reason why we must resist centralisation is that it will damage public safety. In more than 90% of cases, the regionalised system will provide an excellent response to people in emergency situations. Capable call handlers with a modern mapping system will scramble the right team to the right address swiftly and with the right result. However, some occasions seriously require local knowledge. For example, there are two Staveleys in my constituency and two Troutbecks and a Troutbeck Bridge in the county of Cumbria. Finsthwaite, where I was on Saturday, has three houses in the same postcode called Rose Cottage. A person sitting in Warrington or wherever, taking a panic-stricken call from someone in one of those places who cannot give an exact postcode or grid reference, will not know to ask critical supplementary questions such as "Which Staveley?" or "Is that the Rose Cottage by the church?" Such questions could save a life.

Even the best systems can only pinpoint a grid reference based on the nearest mobile phone mast when someone is out of range, which means that a grid reference given to the fire crew could be up to 18 miles away from the address where the emergency is taking place. I am not sure whether you have visited the Lake district recently, Mr Howarth, but getting a mobile phone signal is not always simple. Having a human being at the other end of the line who knows that there are two Staveleys 20 or so miles apart will save lives. There is no training like on-the-job training. Working in a control room where 100% of work relates to Cumbrian emergencies provides call handlers with the expertise needed to ensure a safe, specific and speedy response.

If Cumbria were to follow Merseyside's lead and consider creating efficiencies by consolidating the control rooms of Cumbria's emergency services, it could improve safety by exposing call handlers to the full range of Cumbria's communities and to the geographical uniqueness of a county teeming with mountains, lakes and mountain passes, some of which are misnamed, being impassable. Meeting the needs of people in distress in our county involves understanding the county, the nature of road communications and the time distances as well as mileages involved.

This week, we started the inquest into the tragic death of Mrs Margaret Masson, who died in the Grayrigg derailment in February 2007. The emergency services' response to that tragedy was instant, and one reason was that the Cumbria-based control room staff knew the nature of the area and, crucially, that it was right, for instance, to call out volunteer mountain rescue teams, which had the kit and the expertise to respond the most quickly. That is why the mountain rescue teams got there first. Would a call handler in Warrington have pictured the scene in their mind's eye and have had enough experience of our area to know automatically that it was a job not just for the professionals of the fire service but for the expert volunteers of mountain rescue? I am not sure, but I am sure that that quick response, based on the call handlers' local knowledge, prevented a worse tragedy and saved lives.

John Woodcock (Barrow and Furness) (Lab/Co-op): I congratulate my neighbour, the hon. Member for Westmorland and Lonsdale (Tim Farron), on securing this debate. He makes some strong points. Does he agree that part of the problem is the impossible position in which local authorities such as Cumbria county council have been put by the scale of the reductions that they are being forced to make across the piece? They are being forced to consider efficiencies such as the £300,000 saving that the proposals will generate.

Tim Farron: The hon. Gentleman makes a fair point. Without doubt, all local authorities face huge pressure, because of the pressure on public finances. I simply make the case that the situation in Merseyside is no harder than that in Cumbria, and Merseyside has thought of an intelligent way through it. I am sure that all involved are not jumping for joy at having to make a difficult decision—merging control rooms is never easy—but, even at the hardest of times, whoever is to blame, it is possible to think laterally and to try to ensure that the service in the county is protected. The hon. Gentleman makes a fair point, but that does not let Cumbria off the hook, given Merseyside's rather more intelligent response.

Having spoken to members of the Fire Brigades Union in Cumbria and to other fire and rescue staff, I know that they strongly oppose the proposals, because, as I am sure we all know, it is the firefighters themselves who rely more than anybody else on the accuracy and professionalism of the Cumbrian-based call handlers to get them to the right place, with the right information and at the right time. They know that a control centre 100 miles away, however fantastic and professional it will be, cannot be as reliable or responsible as a centre committed to Cumbria, focused on our county and understanding its quirks.

This is a rare opportunity for me to be critical of the coalition—the Labour-Conservative coalition in Carlisle that runs Cumbria county council. I will qualify that, however, by saying that I am proud to represent a county where six MPs—only two of us are present—from all three parties work closely together, not just on this issue but on others. I know that my colleagues share my deep concern on the issue, even if we might not always come to exactly the same conclusions. I think that there is exasperation across the county—including all three

[Tim Farron]

parties and, more importantly, in the community—about the county council's decision to resist all attempts to get it to rethink.

The recent decision of the Merseyside authority to turn its back on this wasteful project seems to have been ignored. Only a fortnight ago, the county council's own overview and scrutiny committee, chaired by Jo Stephenson, the county councillor for Windermere, discussed the project, objected to it, for the reasons that I have outlined—the objections came from all three parties—and strongly recommended that the cabinet of the county council think again. The cabinet responded in less than 24 hours, without any time to consider the committee's recommendations, and obstinately proclaimed that it was not for turning. I am sure that the Minister will understand our extreme frustration. There are intelligent, safer and more efficient alternatives, yet the county has so far refused to countenance them.

As someone who believes that decisions such as this should be taken at a local level—not least because it means that voters know exactly who to blame at the next local election—I do not want the Minister to intervene and override the county council. He could not, even if he wanted to, and even if he could, he absolutely should not, in the interests of democracy and localism. I would, however, like him to help us all the same.

The Government rightly withdrew their backing for the national programme of regionalised control centres. The logic behind that decision was right. I would be immensely grateful if, as a result of this debate, the Minister wrote to the leader of Cumbria county council to explain why he feels—indeed, why this Government feel—that such a move is inefficient, wasteful and a threat to public safety. If it wants to ignore his advice, as well as that of many of the county's MPs and the vast majority of Cumbria's citizens, it can do so, but it will, of course, face consequences. An intervention by the Minister would do no harm and would be very welcome, especially given that all I am asking him to do is restate what he said about this flawed proposal last year.

We are not saying no to any reform or restructuring, but we want the county to use its imagination and value the unique nature of our county. It is a county where fire and rescue means a lot more even than our excellent fire brigade—it means mountain rescue, such as the teams in Kendal, Ambleside and the Langdales, and inshore rescue, such as the bay search and rescue team in Flookburgh. Ours is a county in which understanding all that is essential in responding to people in acute distress. By all means, let us look at how we can consolidate our emergency control centres in Cumbria, but do not go down a route of regionalisation that will cost more money and could easily cost lives.

1.14 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): It is a pleasure to see you in the Chair, Mr Howarth. I congratulate my hon. Friend the Member for Westmorland and Lonsdale (Tim Farron) on securing this debate. I appreciate that the subject is important for his constituents. Indeed, the whole issue of fire control centres is one of real importance.

It is worth setting the issue in its full context. My hon. Friend has rightly referred to the failure of the previous Government's fire control project, and to the incompetence, inefficiency and waste highlighted by the Public Accounts Committee and the National Audit Office. I have seldom seen a more ringing condemnation of a Government policy than that given to the project that was embarked upon by the now Lord Prescott as part of an enforced regionalisation agenda. There is common ground between my hon. Friend and me in that regard. It is clear that lessons needed to be learned.

My hon. Friend is right to say that, when the coalition Government—by which I mean the Westminster coalition Government—came into office, we discovered that the project was already running 19 months late and experiencing problems. That was the situation that confronted me when I became Minister with responsibility for the fire service in May 2010. As my hon. Friend has rightly said, the NAO report, which was published on 1 July 2011, and the PAC report, which was published on 14 September 2011, highlights a litany of failings. That catalogue of problems led to the project wasting some £469 million of taxpayers' money on an over-ambitious, over-complex and essentially imposed solution for fire control rooms that, frankly, was not proportionate to the risk faced and that failed the fire services themselves.

Two key failings were identified. The first was the lack of any consultation or involvement with the fire and rescue services at the beginning, which was highlighted by both reports, particularly that of the PAC. It was a top-down, imposed solution, and originally part of a broader regionalisation agenda that was killed off by a referendum in the north-east. The project under discussion was the last bit left hanging around. Secondly, the principal failure related to incompetence in the procurement of the IT—the software and the computer works. Part of the overall scheme involved the procurement of the nine regional control centres, and it is ironic that that was the one bit of the scheme that was actually delivered on time and pretty much to budget—the centres were there, but the properly working kit to put in them was not. That was why this Government took the view that we should negotiate with the suppliers, and we eventually concluded that a pass had been reached whereby we could not guarantee sensibly the delivery of the scheme to time, to budget or to the proper specification. Ultimately, therefore, we terminated the contract.

John Woodcock: Will the Minister put on record how much public money was wasted by that decision to terminate the project part way through?

Robert Neill: Although the matter was subject to commercial confidentiality, the hon. Gentleman should be made aware that damages were paid to the Government by the suppliers of the scheme, so we in fact recouped some money as a result of our actions.

John Woodcock: How much?

Robert Neill: The figure has been put in the public domain at about £22 million. The Government respected that confidentiality agreement, but since the figure is now in the public domain, I will not shirk from it. The Government got some money back. I say to the hon. Gentleman that his Government poured £469 million

down the drain before we could prevent it from happening, so I do not accept any criticisms whatsoever of the decision to terminate the contract.

What we now have to do, sensibly, is find a solution that deals with the ongoing needs of the fire service for their control centres—that will vary from place to place—and that finds uses, as far as practically possible, for the nine control rooms that are left and in which a certain amount of public money has been invested. To that end—this is the background to the decision that Cumbria has taken—we determined that we would not go down the route of imposing a centralised solution. That is what went wrong before and is where I have common ground with, for example, the Fire Brigades Union, which is also very critical of that scheme.

We have decided that decisions on improving the efficiency and resilience of local control room systems are best made at a local level because, as my hon. Friend the Member for Westmorland and Lonsdale fairly says, that is where the risks are best understood. In addition, if it is practical to do so, we want to make good use of the buildings that are available. Frankly, it is preferable that fire and rescue services should take them over because they are purpose built for that service, but if they do not do so, other emergency services could also be appropriate users. We have said that we will not force fire authorities down such a route and that it is a matter for them to decide. If there is no fire and rescue or emergency service use for a particular centre, we will consider other uses to try to minimise the damage incurred to the public purse by past failings.

To that end, in July this year, I announced an £83 million scheme to build the national resilience that we all want to encourage through locally determined solutions and collaboration and innovation. Every fire and rescue authority—in Cumbria we are talking about the county council and in other places about stand-alone or combined fire authorities, for example, Greater Manchester and Merseyside—can apply for up to £1.8 million to improve the resilience and efficiency of their fire and rescue control services. The funding will cover the installation of improved communication equipment to give the enhanced voice and data services that are a priority for the sector. We consulted widely with the sector before introducing the scheme and the people we spoke to said that the ability for fire and rescue services to talk to each other—the transfer of voice and data, so that they can mobilise across boundaries and so on—was a key priority. We have therefore concentrated on that.

Fire and rescue services can either apply for the funding individually or collaborate by pooling their funding and providing further enhancements across a group of fire authorities. That is a decision that four of the authorities in the north-west have decided to take. As has been rightly observed by my hon. Friend, that area is not the same as the old north-west region because Merseyside has decided it does not want to be part of it. The scheme is not steered by the Government: it is a collaboration of sovereign authorities coming together to decide that they want to go down that route. Those authorities have been advised by their chief fire officers, who are their principal professional advisers.

Cumbria will be able to use its pot, either jointly or alone. As well as enhanced voice and data services, some of the things we want the funding to be used for include common standards to underpin collaboration and interoperability, and the facilitation of improved overload and fallback arrangements. My hon. Friend referred to the catastrophic floods in Cumbria. There are circumstances in which an individual control room can become heavily weighed down with the burden of such matters and it is sensible to have some resilience not necessarily physically in the same area. In fact, there are occasionally some advantages in having what is called a remote buddy system, whereby one control centre is able to rely on the support of another that is not affected by the same physical events. All those things can be in the mix. The Chief Fire Officers Association has indicated that it intends to apply for funding under our scheme to disseminate that sort of good practice.

Of course, my hon. Friend is right: the Merseyside fire authority decided that a north-west consortium was not an option that it wished to pursue. That is entirely its right and it will therefore pursue its own arrangements. However, I understand that the chief fire officers of the remaining authorities—Greater Manchester, Lancashire, Cheshire and Cumbria—have indicated that they are keen to proceed. That is the professional judgment that the chief officers have made, which I respect and do not seek to second-guess. They are also accountable to the elected members of their fire authorities, which in the case of Cumbria is the county council. As my hon. Friend indicates, the county council must ultimately make a decision on the matter. I will not second-guess its decision because it is on the ground and the decision is a local matter. What it is doing is not out of line with decisions being taken elsewhere in the country as a number of collaborative arrangements of one kind or another are taking place.

My Department is determined to be supportive and work with consortia where that is what people on the ground want. Where people think that a stand-alone solution is appropriate, again, they can bid to enhance on that basis. Inevitably, there are local concerns when such changes are made, but it is worth saying that whatever arrangements any fire authority makes with its control room, that does not alter the fact that it is the local fire crews on the ground who will be responding to the emergency calls, wherever they are directed from. Their local knowledge remains available. I just observe that the arrangements for a collaborative approach going beyond one county are not unique to the fire service. It is fair to say that the North West Ambulance Service mobilises on a much more regionalised basis from a control room in Preston. So the fire authority is not going out on a limb in that regard.

Tim Farron: The Minister makes some very good points. I thank him for mentioning that matter because it takes us down the road of where we might end up if we have a regionalised fire control room. Since the North West Ambulance Service went to a regionalised system based in an urban area, at least initially the number of times the volunteer first responder unit in Cumbria and north Lancashire was scrambled by the call handler dropped significantly. The urban-based call handlers did not have experience relating to first responders. The analogy I would make is with the mountain rescue teams. If somebody—wonderful as they may be—has no direct experience of the quirks of living in a rural area, those volunteer services will not be scrambled when they could save a life.

Robert Neill: With respect to my hon. Friend, I would not go down the route of saying that that is automatically the case, because much depends on the briefing and the knowledge of the people in the control centre. At the moment, within the large county of Cumbria, calls are taken at a county-wide level. That is not as local as doing something at a fire station level, which we know would not be practical. Frankly, the appropriate level is a matter of professional judgment. It is also fair to say that a number of other fire authorities have similar arrangements. Suffolk and Cambridge, which cover a very large geographical area, are due to merge their control rooms. I have not seen evidence to suggest that that would pose an enhanced risk.

The key thing is that there is proper input from the fire authorities. The north-west consortium is being overseen by a project board and has very straightforward governance arrangements. The project board is led by a chief fire officer—a professional—as project director and there are senior representatives from each of the fire services in the consortium area on the board. Ultimately, they have reported to their authority. The decision has been scrutinised through the county council's scrutiny procedure and the cabinet has concluded that that is the route it wishes to go down.

Tim Farron: The Minister pointed out earlier that the Government kyboshed the previous Government's regionalised programme for two reasons, one of which was the lack of consultation. The consultation across Cumbria has been absolutely appalling. The Minister talked about the overview and scrutiny committee. It considered the proposals and rejected them, and the cabinet ignored that. Will he make a comment on the failure of consultation in that respect?

Robert Neill: The Government do not run those consultations centrally; it is for the county council to use its processes. I say again that the county council was advised by its chief fire officer. Often support for collaborative arrangements comes from professional fire offices, who frequently take the view that a modern and viable control centre can work well.

We are talking about a matter for local decision, which is why, with every respect to my hon. Friend, I will not be tempted down the route of telling the county council how to run its business. I have made it very clear already that we thought a centrally imposed solution was wrong, but that a locally developed solution—whatever it may be; it will vary from place to place—is the right one.

Ritalin

1.30 pm

Mr Pat McFadden (Wolverhampton South East) (Lab): It is a pleasure to see you chairing the debate, Mr Howarth. I secured the debate because I want to talk about how we treat behavioural problems such as attention deficit hyperactivity disorder in children, and, in particular, about the increasing use of drugs to treat those problems.

I have been tabling questions on this issue for some months. I am sure that it is a complete coincidence that this morning, just a few hours before the debate, the Government announced an extra £32 million for children's mental health therapy, including talking therapies. That news will be welcomed by parents and professionals, because it is important—a point that I want to stress—to have a range of treatments available for young children who suffer from this condition. Will the Minister confirm whether that is new money, or whether it is part of the wider £400 million announcement, made in February, on mental health? If it genuinely represents extra resources for mental health therapy for children, that is of course welcome. I also welcome its happy coincidence with this debate today.

My main focus is on the use of drugs to treat ADHD and similar conditions. The main drug that we usually talk about in this field is Ritalin. Ritalin is a brand name for methylphenidate hydrochloride, and it is this whole family of drugs that I want to talk about. I want to set out the trend of increasing use of these psychotropic drugs to treat ADHD, and the growth in their use for very young children—sometimes in breach of National Institute for Health and Clinical Excellence guidelines. I want to spell out why many in the field believe that this trend is likely to continue. Finally, I will issue a plea to the Minister to carry out a proper, comprehensive review of the use of these drugs involving professionals from the medical, psychology and teaching fields, as well as the families of those who have been prescribed the drugs.

Paul Flynn (Newport West) (Lab): Had the young Mozart been on Ritalin and the young Beethoven been on anti-depressants, we would probably never have heard of them. Does my right hon. Friend agree that trying to drug children into conformity and uniformity is the enemy of creativity?

Mr McFadden: My hon. Friend makes an eloquent point. I do not take the view that the drugs cannot work. I am not qualified to say that, but there are serious questions to be asked about the growth in their use.

The increasing use of these drugs has not just happened in the period since last year's general election. I am not here to make a party political point. This has been going on for many years and is part of an international picture, so it is not the responsibility of a single party or a single set of politicians. Some professionals and parents believe that these kinds of drugs can be effective and have a role to play where ADHD is correctly identified, although it is also true that some psychologists believe that there is significant over-identification and diagnosis of ADHD in children. The real question is whether the drugs are considered alongside other appropriate treatments,

and are used as a first option, or only after alternatives have been properly explored and considered. Let us look at the trend in the number of prescriptions in England in recent years.

A written answer in July showed that between 1997 and 2009 there was a more than sixfold increase in the number of prescriptions for methylphenidate to the point where, in 2009, 610,000 prescriptions were issued. The number had almost doubled in five years. There is no doubt that there is an increasing reliance on these drugs to treat behavioural problems in children. Methylphenidate is not always used on its own. It can often be combined with other drugs, so that the child ends up taking a cocktail of powerful drugs to control their behaviour in different ways during the course of the day.

What lies behind this trend towards the medicalisation of child behaviour problems? Why are we prescribing more and more drugs to treat such problems? Do we really believe that there has been a sixfold increase in the occurrence of ADHD and similar disorders in recent years, or are these drugs being used to treat behavioural patterns that were dealt with in different ways by parents and teachers in the past? Is the increasing labelling and categorisation of behavioural problems increasing the tendency to treat children with drugs?

Sue Morris, director of professional training and educational psychology at the university of Birmingham, recently said:

"It's not uncommon for the diagnosis of ADHD to be based on parental reports - without observation of the child in a home or school environment. The prescription of drugs certainly shouldn't be the first step in treating the disorder. Sometimes drugs are being used in the absence of talking therapy and psychological assistance, and that is wrong."

There is clear guidance from NICE on the use of these drugs:

"Drug treatment should only be initiated by an appropriately qualified healthcare professional with expertise in ADHD and should be based on a comprehensive assessment and diagnosis."

NICE also makes it clear that methylphenidate

"is not currently licensed for use in children less than 6 years old".

NICE makes it clear that it should be discontinued if there is no response after one month, and that treatment should be suspended periodically to assess the patient's condition. What evidence does the Minister have that this guidance is being adhered to? Are these drugs always used as part of a comprehensive assessment and diagnosis? Are they used as the first option, or only after alternatives are considered? Are they given only to children aged six and over? Are children routinely taken off them after one month if they are not effective? Is their use periodically suspended to assess the patient's condition?

I suspect that the Minister does not know the answers to many of these questions. In fact, when it comes to the number of children under the age of six being prescribed the drugs, I know that he does not know because the Department of Health has already told me. That is not a reflection on him personally, but it exposes a gap in our knowledge that must be filled. Why is it, despite the clear guidance from the Department of Health about the appropriate age for use of these drugs, that the Department does not know how many children under the age of six are being prescribed the drugs?

Evidence from the Association of Educational Psychologists suggests an increase in the use of methylphenidate for very young children. An informal survey of their members in the west midlands suggests that more than 100 children under the age of six in that region alone are on some form of psycho-stimulant medication. As we do not ask for someone's age when a prescription is written, the Department of Health has told me that it cannot say whether its own guidance is being adhered to. I am sure the Minister would agree that that is an unsatisfactory situation. We have clear guidance from the Government, but no clear knowledge about whether that guidance is being breached on a regular basis. That is not an acceptable situation and the Government must establish a clear picture of what is going on.

I am not asking the Minister to ask the age of every person issued with a prescription, but it would be possible, through a proper survey of practitioners, to establish how much prescribing involves very young children. Will the Minister commit today to carrying out a proper research survey of professionals in the field to establish the degree to which the guidance from NICE is being adhered to and to establishing a clearer picture, particularly with regard to the use of these drugs by children under the age of six?

The question of age is not only about the youngest children. The sharp increase in the use of these drugs in recent years means that we now have a generation of teenagers who have taken psychotropic drugs for years. What happens when they reach adulthood? What are the long-term effects and what is the appropriate alternative treatment for people trying to come off these drugs after a number of years? In its review, NICE concluded:

"Given that ADHD is a chronic condition which may require long-term treatment, there is a need for further data on long-term outcomes of drug treatments."

There is significant regional variation in prescribing patterns, with the BBC reporting a few years ago that the highest prescribing area prescribed 23 times more than the lowest. I can understand that in any health system in which people are asked to use their judgment prescribing patterns will not be uniform, but 23 times more is a very large difference, and there is similar variation abroad. In the United States, for example, the closer someone lives to the east coast the more likely they are to be diagnosed with ADHD and prescribed these kinds of drugs.

An important feature of the growth in the use of methylphenidate to treat behavioural disorders is the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition"—DSM-IV. The manual breaks down and categorises various psychological and behavioural disorders and has significant international influence. In 2013 it will be replaced by DSM-V.

Some people believe that such publications exacerbate a trend towards the over-medicalisation of behavioural problems. The British Psychological Society, for example, has expressed serious concerns about DSM-V. Its response to the impending introduction of the fifth edition states:

"The Society is concerned that clients and the general public are negatively affected by the continued and continuous medicalisation of their natural and normal responses to their experiences; responses which undoubtedly have distressing consequences which demand helping responses, but which do not reflect illnesses so much as normal individual variation."

[Mr McFadden]

It goes on:

"Diagnostic systems such as these therefore fall short of the criteria for legitimate medical diagnoses. They certainly identify troubling or troubled people, but do not meet the criteria for categorisation demanded for a field of science or medicine".

What is the Department of Health's response to those serious concerns? How does the Department intend to work with the professions on the introduction of DSM-V, and does the Minister share the concerns of the Association of Educational Psychologists and the British Psychological Society that it might exacerbate the trend towards the medicalisation of behavioural problems?

It is for all those reasons—the growth in the number of prescriptions, the evidence that they are being given to very young children, the wide regional variations in their use, and the lack of firm data and evidence about the long-term effects of combining these drugs with others—that the Association of Educational Psychologists has called for a review of the use of the drugs. The review should involve paediatricians, child psychiatrists, GPs, teachers, parents and other relevant voices. We must get to the bottom of what lies behind the increased use of the drugs, and establish whether we are dealing with childhood behavioural problems as best we can.

The association's call for a review is a call I echo today, and I hope that the Minister can confirm that the Government will undertake such a review, before the introduction of DSM-V in 2013. I hope also that he will be open-minded about my questions. I welcome the money for children's mental health therapy that has been announced today, but it does not mean that we should ignore the questions raised in this debate. If recent trends of growth in the use of the drugs were to continue, we could end up with more than 1 million prescriptions for them, each year in England. Would the Minister be comfortable with such an outcome?

Having highlighted the growth in the use of the drugs and raised concerns about their being taken by very young children in particular, I am essentially asking the Minister to do two things. First, will he commit his Department to carry out a proper research project into the use of the drugs, including the age of the children receiving them? Secondly, in the light of the huge growth in prescriptions, will the Government carry out a proper review of practice in the field, as called for by the Association of Educational Psychologists, before the new guidance comes into effect in 2013? Those requests are moderate and measured, and I look forward to a positive response.

1.45 pm

Mr Frank Field (Birkenhead) (Lab): I am grateful to my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) for securing this debate and for allowing me to address a simple question to the Minister.

Like my right hon. Friend, I am not qualified to say whether people should be on treatments or not, but I am struck by the increasing number of children in Birkenhead who are given what a group of teachers has referred to as "medical coshes" to keep them quiet. In some instances the drugs are no doubt necessary, and they work, but along with my right hon. Friend I question the growth in the number of prescriptions.

Will the Minister work with his colleagues in the Department for Work and Pensions to consider the moral hazard of someone ensuring that their child is on Ritalin so that the prescription gives them access to disability benefits? Clearly, that was never the Government's intention, but we now have a system in which, if someone can prove that their child is ill, and keep them ill, the likelihood of the child being passported on to disability benefits increases. I know that this is not in the Minister's sphere of influence, but in his response to my right hon. Friend's most detailed points will he tell us whether he will co-ordinate with the relevant Minister in the Department for Work and Pensions to look at the moral hazard of someone proving their child needs to be on Ritalin to increase their chances of getting disability living allowance for that child?

1.47 pm

The Minister of State, Department of Health (Mr Simon Burns): I congratulate the right hon. Member for Wolverhampton South East (Mr McFadden) on introducing a particularly interesting and sensitive subject. He made his points very fairly and very well. In passing, I should, I suppose, declare an interest because a member of my family has for a number of years been on Ritalin and, contrary to the observations of the hon. Member for Newport West (Paul Flynn), the benefits to that person's education have been immense—the decision was taken on clinical advice, not on the advice of parents.

I am pleased that the right hon. Gentleman has welcomed the announcement by the Minister with responsibility for social care, my hon. Friend the Member for Sutton and Cheam (Paul Burstow), of £32 million to help with children's mental health. The right hon. Gentleman asked whether that was new money. It comes from within the £400 million that was identified by the Treasury in the spending review last year.

The right hon. Member for Birkenhead (Mr Field) asked about the link between disability allowance, and other entitlements, and children on Ritalin. The entitlement is based not on having a specific health condition diagnosis or treatment, but on what help is needed with personal care as a result of the disability. Nevertheless, I will certainly draw his comments to the attention of my right hon. Friend the Secretary of State for Work and Pensions, whose Department will hopefully get back to him.

Let me set out some of the background to this issue. According to NICE, between 3% and 9% of school-aged children and young people in the UK meet the broad criteria for mild to moderate attention deficit and hyperactivity disorder, and between 1% and 2% suffer from severe ADHD. Methylphenidate, commonly known as Ritalin, and similar drugs are used to treat a range of mental health conditions, including ADHD. The NICE guidelines, published in 2008, recommend that medication should always form part of a holistic package of care, which might include talking therapies. I fully appreciate the concerns raised by the right hon. Member for Wolverhampton South East about the increase in the number of prescriptions for Ritalin and similar drugs. We need better to understand the reason for that. It is

always wrong for doctors to prescribe medication inappropriately, and medication should not be the sole response to an individual's condition.

I fully appreciate the concerns of those worried about the growth in prescriptions for Ritalin. We do, however, need to acknowledge the fact that too many young people and their families are not getting the support they need. The NICE clinical guidelines on ADHD said, at the time of their publication in 2008, that a minority—fewer than 50%—of all individuals who should be receiving medication and/or specialist care were in receipt of such care. If left untreated, mental health problems can lead to low attainment in school, antisocial behaviour, drink and drug misuse, worklessness and even criminality in adult life. Getting things right for children and their families—through a broad range of support to promote good mental health from the start of life, through the school years and into adulthood—can make a real difference to young lives.

The costs of doing nothing are simply too great. Across hospital and primary care, the prescribing of drugs for ADHD increased by around 12.5% between 2007 and 2010, the latest four years for which data are available, and by around 6% in 2010 alone. Prescribing in primary care alone increased by 22% in that four-year period, reflecting a significant shift in prescribing activity from a hospital setting and into primary care. Looking back further, one sees that prescribing in primary care has tripled in the past 10 years. Some variation in the prescribing of ADHD drugs around the country must be expected in the light of the distribution of specialist services, which might be more likely both to diagnose children with ADHD and to support GPs in taking responsibility from hospital teams for repeat prescriptions; the different local patterns of prescribing across primary care and specialist settings; and demographic factors, such as deprivation, which might be correlated with ADHD.

We do not, however, have good-quality data on the number of children and young people assessed with ADHD, against which prescribing patterns could be compared. If we had, it would be possible to gain a true measure of variations in clinical practice. Prescribing data are not routinely collected by age, but we do need better to understand the position. In the shorter term, we are investigating whether further helpful information can be derived from prescribing research databases. As a result, the data we do have must be interpreted with care and in the context of all the evidence that suggests under-diagnosis and under-treatment of this distressing behavioural disorder.

Mr McFadden: The point about age is important. The NICE guidelines on children under six could not be clearer. The Minister acknowledges that the Government do not know—I will leave aside whether that is a good state of affairs—how many children are prescribed these drugs. His Department has a research budget, so, rather than trawling other research projects, why can it not commit to research to find out from professionals how many children under six have been prescribed such drugs?

Mr Burns: The right hon. Gentleman anticipates my remarks on the NICE guidelines, and I hope that once he has heard them the situation will be clearer.

The 2008 NICE clinical guidelines on the treatment of ADHD are clear that medication is an appropriate treatment for severe ADHD, but that it should be initiated only by a specialist and should form part of a holistic care package that may include talking therapies. The guidelines do not recommend drug treatment for pre-school children, and health care professionals are expected to take the guidelines fully into account when exercising their clinical judgment. They do, however, have the right to prescribe the drugs if they feel it is clinically justified and in keeping with specialist consensus, given the individual circumstances of the child and in consultation with the parent or guardian. Such prescribing can include so-called off licence prescriptions, which means a prescription of medication outside its licensed age indications.

The right hon. Gentleman has asked the Department of Health to conduct a review of the prescription of drugs for the treatment of ADHD, working with families, teachers, medical and mental health professionals. It is, however, for NICE, as an independent organisation, and not for the Department of Health, to review the evidence and to provide national clinical guidance. Between 30 August and 12 September, NICE consulted stakeholders on whether to update its 2008 clinical guidelines. The review is a thorough assessment of the ways in which evidence on ADHD, including pharmacological treatments, has since developed. It will announce a final decision on its review shortly.

In June 2007, the UK led a European review of the risks and benefits of Ritalin and sought advice from independent scientific advisory groups on the available evidence. As a result of that review, the prescribing guidance for patients has been updated to ensure that it contains clear, comprehensive information about the effects of Ritalin and the importance of monitoring children and adolescents throughout their treatment. The safety of Ritalin remains under close review. In addition, the findings of research continue to inform the field and a number of bodies may commission such research, including the National Institute for Health Research. The Government are committed to improving mental health outcomes and have laid down important principles for the future in the strategy, "No health without mental health", published earlier this year.

The emotional well-being and mental health of children and young people are vital to them as individuals, to their families and to wider society. A principle of the Government's mental health outcomes strategy is the importance of prevention and early evidence-based intervention. Half of those with lifelong mental health problems first experience symptoms before the age of 14, and three quarters of them before their mid-20s. Indeed, today, the Minister with responsibility for social care, my hon. Friend the Member for Sutton and Cheam, has announced £32 million of funding to improve access to psychological therapies for children and young people over the next four years.

Psychological therapies can in some cases form part of the holistic package of care that NICE recommended for children and young people with ADHD. It is important that a range of clinicians—paediatricians and GPs as well as child and adolescent mental health service professionals—are well informed on the diagnosis and treatment of mental health problems in children and young people. I am pleased to tell the right hon. Gentleman

[Mr Simon Burns]

that the chief medical officer and the NHS medical director plan to write to clinicians to remind them of the full range of NICE guidelines on conditions—including ADHD—that affect children's mental health. They will highlight the opportunities to support rigorous use of evidence-based treatment through the improving access to psychological therapies programme. High-quality, evidence-based treatment is central to our programme to transform mental health services for children.

The right hon. Gentleman referred to DSM-V. This point goes much wider than ADHD alone and touches on the appropriateness of diagnostic categories that are the subject of international professional consensus through the American Psychiatric Association and through the World Health Organisation. The Association of Educational Psychologists and other concerned professional organisations might wish to make their representations on this issue through the American Psychiatric Association and the World Health Organisation.

The right hon. Gentleman asked what the Government's response would be, but it is not the responsibility of the Department of Health to respond. The professional bodies respond and reach a broad, scientific consensus on the way forward.

I fully appreciate the concerns of those worried by the increasing number of prescriptions for Ritalin and similar drugs. We are investigating whether further helpful information can be derived from prescribing research databases. It is of course for NICE, not the Department, to review the broader evidence and to consider the case for updating the existing clinical guidelines. That is what it has been doing and we await its conclusion. Furthermore, the NICE clinical guidelines on ADHD state that drug treatment for children and young people with ADHD

"should always form part of a comprehensive treatment plan that includes psychological, behavioural and educational advice and interventions."

The NICE guidelines do not replace the clinical judgment needed to treat individual cases, but health care professionals are expected to consider fully the guidelines alongside professional consensus when exercising their clinical judgment.

2 pm

Sitting adjourned without Question put (Standing Order No.10(11)).

Westminster Hall

Wednesday 26 October 2011

[SANDRA OSBORNE *in the Chair*]

BBC Local Radio

Motion made, and Question proposed, That the sitting be now adjourned.—*(Mr Vara.)*

9.30 am

Mr Robin Walker (Worcester) (Con): It is a privilege to serve under your chairmanship, Mrs Osborne, and an honour to have been chosen to open this very well subscribed and well supported debate. I know that many other hon. Members across the House were as eager as me to secure the debate, and my name was one of more than 20 that went forward to the Backbench Business Committee to call for it. I thank the Backbench Business Committee for allowing time for it, and I apologise for the fact that the ballot selected me over many other Members who are equally or more qualified to address the subject.

I am delighted that the debate will be answered by a Minister who is a self-declared fan of local radio. Given that in our last debate he managed to congratulate me and two other Members on our impending nuptials, I am intrigued to discover what surprises he has in store for us today. I declare an interest because my sister is employed by the BBC, albeit in television rather than in local radio.

This is not the first time this year that Members have gathered to debate this important subject. I pay tribute to my hon. Friend the Member for Suffolk Coastal (Dr Coffey), who so ably opened the previous debate, and I am pleased that many of the Members who spoke then are here again today. I suspect that my speech may be interrupted now and again, because so many hon. Members are eager to speak on a subject that matters so much to our constituents. I will wrap up my comments soon after 10 o'clock to allow time for other Members to speak.

Like all Members here, I care passionately about BBC local radio in my constituency. I want to set out three main points: why we need this debate now, why I believe that local radio must be treated as a special case in the BBC and why I am particularly concerned about the situation of BBC Hereford and Worcester and the BBC in the west midlands. The reason why we need another debate on local radio is clear. Since our first debate in April, the BBC Trust has published its "Delivering Quality First" consultation and the service review of BBC local radio, which have driven speculation and concern about the extent of cuts to BBC local radio stations. I am sure that many hon. Members have, like me, received calls from constituents and workers at their local radio stations who share those concerns. I am grateful to all who have taken the time to speak to their local MP about the issue, and to all who work so hard in local radio. The BBC says:

> "Local Radio is being tasked with finding savings of 12% (10% after reinvestment). As we are asking the BBC as a whole to make savings of between 16-20%—up to 25% in non-content areas—Local Radio has been relatively protected."

Bill Esterson (Sefton Central) (Lab): I congratulate the hon. Gentleman on securing the debate. He mentions a figure of between 10% and 12%, but the figure for BBC Radio Merseyside is 20%, which is a disproportionate and massive cut compared with the overall position. It will result in a saving of £420,000 and the loss of up to 15 jobs. BBC Radio Merseyside serves a predominantly older and poorer audience, who do not listen to national radio, and those people will lose out. Is that a common experience for him?

Mr Walker: The hon. Gentleman pre-empts my next point beautifully, and I know that BBC Radio Merseyside is well represented in this Chamber today. The BBC goes on to point out that

> "the savings feel higher because the cost of buildings and technology needed to broadcast in 40 locations means that we cannot avoid cuts being made to the number of programme makers. That's why in some stations we will be reducing teams by over 20%."

Jim Shannon (Strangford) (DUP): I congratulate the hon. Gentleman on bringing this matter to Westminster Hall. The number of MPs present is an indication of the importance of the subject across the United Kingdom. I make a plea for Northern Ireland and BBC Radio Ulster, as I am sure people would expect me to do. BBC Radio Ulster plays a crucial role for many people in my constituency. It keeps those who have only a radio to listen to in touch with the news, and many of my elderly constituents in particular see the Sunday morning programmes as an important part of their life. Although we accept the need for cuts, does he agree that consideration must be given to elderly people in our constituencies?

Mr Walker: I thoroughly agree with that point. The same is true for BBC Hereford and Worcester, where I am told that the proposed cuts mean that eight out of 35 jobs are at risk. There is serious concern about the future of the office in Hereford, which is the BBC's only visible presence in the county.

Mr Jim Cunningham (Coventry South) (Lab): Does the hon. Gentleman agree that we have been here before with the BBC? Many years ago, local radio was taken out and at its expense we had regional radio. Does he agree that there is one role for national radio and another for local?

Mr Walker: That concern has been widely raised, and I believe that we should not move from a local model to a regional one. I will return to such concerns.

Joan Walley (Stoke-on-Trent North) (Lab): I am sure that every Member cherishes their local radio station, but while we are discussing local radio in the west midlands, may I make a plea in respect of BBC Radio Stoke, which serves Staffordshire and south Cheshire? The cuts are much greater than the BBC is suggesting, because the breakfast and drivetime programming will be severely reduced if they go ahead. I urge the hon. Gentleman, through the debate, to ensure that everyone responds to the consultation process. We must make our voices heard through local radio and have regard to what is happening to broadcasting rights.

Sandra Osborne (in the Chair): Order. In view of the number of Members who wish to speak, may I ask for short interventions?

Mr Walker: I take the point that the hon. Member for Stoke-on-Trent North (Joan Walley) made, and I agree that all our constituents should respond to the consultation and make such sensible points about their local radio. There is much to welcome in the BBC's consultations, and it would be churlish not to acknowledge that it has done a lot to protect its local offering. I welcome the fact that in the local radio service review the BBC set out to protect local peak-time programmes—although I note the hon. Lady's point—such as breakfast, mid-morning and drivetime, as well as sport and faith on Sunday mornings. I am sure that many hon. Members will be pleased with the suggestion to reinvest savings in dedicated local political correspondents. The proposals for programming include sharing afternoon programmes on weekday afternoons, sharing evening programming on a national level on weekday evenings, and regional programming for off-peak periods. In its main consultation, however, the BBC has also set out plans substantially to reduce spending on sports rights, and I, like many other Members, would like reassurances that that will not result in substantial cuts to the coverage of local sport.

I am sure that Members have many other concerns about the consultations, but I would like to move on to my second point: why does local radio matter so much and why does it deserve special treatment? Local radio reaches a very different demographic from national stations or television. In my constituency, many of its listeners are elderly, work outdoors or cannot afford a television. Statistically, listeners to local radio are more likely to be in the demographic group known as C1 and are unlikely to benefit from other parts of the BBC's offering. Outside the south-east, local radio listeners are more prevalent than Radio 4 listeners. In the area of the west midlands that I represent, which is covered by BBC Hereford and Worcester, more people listen to local radio than to Radio 4. According to the RAJAR survey for the second quarter of 2011, although Radio 4 has 10.9 million listeners in the UK and BBC local radio has only 7.3 million, in Hereford and Worcester, Radio 4 has 123,000 listeners and BBC Hereford and Worcester has 129,000.

James Wharton (Stockton South) (Con): Does my hon. Friend agree that it is not simply a case of pitting local radio against national radio such as Radio 4, but that local radio is so successful because stations such as BBC Tees deliver sub-regional content? We have to protect such content, because it tells people what is going on in the communities they identify with, rather than in larger regional or national areas.

Mr Walker: I thoroughly agree with my hon. Friend, who pre-empts some of the points that I am about to make. Of the 7 million people who listen to local radio across the UK, more than 2 million listen to no other BBC radio station. Many do not watch television on a regular basis or access the BBC's online offering, so local radio is their only return for paying the licence fee.

Most importantly, as my hon. Friend has just said, local radio is the part of the BBC that is most genuinely local and based in the communities that it serves. More than television and more than online services, the 40 local radio stations and their offices around the country are often the only representation of the BBC's service in our constituencies.

Esther McVey (Wirral West) (Con): My hon. Friend is talking about the reach of the BBC, which is a vital point. The BBC reaches an audience that a commercial radio station would not reach out to or want to reach out to. The BBC was set up to connect with precisely such people, so it is vital that the service remains.

Mr Walker: I thoroughly agree. As my hon. Friend knows well, the BBC's local presence also provides a route into journalism for hundreds of people and gives hundreds of journalists the chance to work in their own communities.

David Simpson (Upper Bann) (DUP): Does the hon. Gentleman agree that perhaps the BBC should look to its massive budget for presenters' salaries, and its provision of fancy hotels for overnight accommodation and first-class travel?

Mr Walker: There are many areas of the BBC other than local radio where the savings it needs to make can be found. The hon. Gentleman's point is well made.

People who work in local radio are already multi-tasking, with the same person producing a breakfast show, reading the news later in the day and then doing outside broadcasts at another moment, doubling up the roles of producer and presenter. As the hon. Gentleman just pointed out, those are not the obvious people to cut in an organisation that has a large head office and many highly-paid presenters.

Guy Opperman (Hexham) (Con): I welcome the debate that my hon. Friend has introduced and the apolitical way that we are all standing up for local radio. I particularly welcome the fact that there are an awful lot of people here from the north-east who are standing up for BBC Newcastle and BBC Tees, which I listen to all the time. Is not the crucial message that we are all sending out—I hope he endorses it—the question of which is more important: local radio or much more expensive television content?

Mr Walker: I totally accept my hon. Friend's point, albeit, as I declared earlier, my sister works in BBC television, so I have to be rather careful about what I say on that front.

Local radio has an unparalleled information-gathering network, which is why it is such a vital resource in times of trouble or crisis, when local knowledge matters.

Mr Laurence Robertson (Tewkesbury) (Con): I am sorry to interrupt my hon. Friend again, but may I give a specific example of local radio acting in a time of crisis? During the terrible floods of 2007, when people lost their lives and others lost water and electricity supplies, BBC Radio Gloucestershire was invaluable in providing vital, life-saving information. We lose that service at our peril.

Mr Walker: I agree with my hon. Friend completely. I was going to make the point that in the previous debate on this topic, I spoke at some length about the floods in Worcester in 2007. I made exactly the same point about coverage in Worcester.

Tony Cunningham (Workington) (Lab): What I find surprising is that Mark Thompson, the head of the BBC, said categorically in a speech that he made recently that the reputation of the BBC was created during the second world war at a time of crisis. Radio Cumbria covered the foot and mouth crisis, the terrible shootings, the floods and everything else—not just programmes, but an absolute lifeline for the people of Cumbria.

Mr Walker: I completely agree with the hon. Gentleman. I remember times in my life when the BBC locally has provided a lifeline when we have been cut off or in crisis situations. Many constituents have told me how much they value the real local knowledge and support provided by local radio at such times.

Andrew George (St Ives) (LD): Will my hon. Friend give way?

Mr Walker: I will give way one more time and then try to make some progress.

Andrew George: I thank my hon. Friend for giving way. Radio reflects the distinctiveness of a local area. Radio Cornwall, which faces a 22% cut in output, is one that will suffer. It is not simply a question of its being audio wallpaper; people listen to it with great intensity. He is making a strong point that it is the uniqueness of local radio that is important. In Cornwall, Radio Cornwall is seen as Cornwall's national radio.

Mr Walker: The hon. Gentleman makes a passionate point. For all those reasons, I believe local radio is something special. It is not just another part of the BBC and I hope that the Minister will reflect on its unique offering—reaching people the licence fee might not otherwise reach and providing a service that no other part of the BBC can provide—when he makes his response to the BBC Trust.

I want to raise some specific local concerns and then give time to other hon. Members to say their piece. In Worcestershire, people are particularly worried that any shift towards regional programming and any moves to share programming will inevitably mean a focus on the urban west midlands, specifically Birmingham, at the expense of its rural neighbours.

Mr Edward Timpson (Crewe and Nantwich) (Con): Is my hon. Friend aware that Cheshire, which does not have its own BBC radio station, has to rely on the good will and great friendship of BBC Radio Stoke? If these measures go through, Cheshire will be relying on output from as far away as Birmingham and possibly Herefordshire.

Mr Walker: I am aware of those concerns and I take them seriously. We need to feed back to the consultation the fact that regions do not necessarily work for the people in our constituencies who listen to radio.

The BBC's consultation talks about regions such as the west midlands and implies that regionalisation will take place for some programmes. Listeners in Worcester, however, would far rather see programmes shared with similar neighbours such as Warwickshire, Shropshire, Gloucestershire or Staffordshire than with large cities. I represent a city, but a city of 90,000 people, not millions. My constituents appreciate a county-based service for a county town and feel unrepresented by bodies that speak for the whole west midlands. This is not a partisan debate, but my party has campaigned against regionalisation in many other areas and we must question whether regions make sense in the context of BBC radio.

Jonathan Ashworth (Leicester South) (Lab): The hon. Gentleman is being generous in giving way and he is making a good case. Like him, I represent a big city. BBC Radio Leicester was the first regional radio station. Under these 20% cuts, we will have to share regional programming with Nottingham and Derby. Does he agree that it is a great shame for the people of Nottingham and Derby that they will be overshadowed by the great city of Leicester?

Mr Walker: The hon. Gentleman speaks well on behalf of his city.

The consultation implies that decisions will be reached centrally by the BBC as to which programmes should be shared, but surely it would be better for local radio stations to lead on the process of deciding how sharing should work, so that they may set out how the communities they serve would be best represented by shared programming and where that might not be appropriate.

Mr Marcus Jones (Nuneaton) (Con): As a fellow west midlands MP, I fully support the comments that my hon. Friend has made. While we in the west midlands have love and affection for the great city of Birmingham, is it not extremely important that, within the changes to BBC local radio, coverage of such great sporting teams as Nuneaton Town football club and Coventry City football club is not lost to the big conurbation of Birmingham and the west midlands, but is instead kept local within BBC local radio at BBC Coventry and Warwickshire?

Mr Walker: Once again, I find one of the points that I was about to make beautifully pre-empted by one of my hon. Friends.

Before I move on to that point, there is one more issue that I want to raise on behalf of the west midlands. West midlands constituents fear that the region is being disadvantaged beyond local radio by some of the proposals in "Delivering Quality First". They have heard of production jobs being moved from Birmingham to Bristol and Salford, production facilities closing, skills being lost to the region and creative talent moving away. At a time when many programmes are being moved out of London into the regions to emphasise the national nature of the BBC, surely it is reasonable to question shifts that appear to be damaging the position of a region as central and as important as the west midlands.

Esther McVey: One of the key points, which the BBC has seen for a long time, is audience fragmentation across BBC radio and television. Surely, when value for money is being looked at, the BBC should look at where its audience is. The audiences are with radio. The BBC should look for savings on BBC 3 and BBC 4 and save stations such as Radio Merseyside.

Mr Walker: I thoroughly agree with my hon. Friend's passionate and sensible point.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): There are a staggering 380 jobs going from English regions. Of those 380, 280 are from local radio. Does the hon. Gentleman agree that that is a staggering proportion of those job losses, which will have a disproportionate impact on local radio services, such as BBC Radio Merseyside, which has high fixed costs, such as buildings? Such services have to pay those costs, leading to a further disproportionate impact in job losses.

Mr Walker: I absolutely agree. I made the point in my speech in the previous debate on this topic that those fixed costs make this much more of a burden for local radio than it is for other areas of the BBC.

As my hon. Friend the Member for Nuneaton (Mr Jones) has said, there are concerns about the unique ability of local radio to cover genuinely local sport. Fans of the Worcester Warriors rugby team, whose tie I proudly wear today, appreciate enormously the intense coverage provided by BBC Hereford and Worcester. We want assurances that the changes to local radio affect neither Saturday nor Friday evening programmes.

Alex Cunningham (Stockton North) (Lab): The hon. Gentleman mentioned local sport, but I look at the BBC and see multi-teams serving radio, television and all those other outlets for the BBC, travelling all over the world. Hundreds of people are out there. Does he agree that programmes such as those put out by BBC Tees and regional programmes such as "Inside Out" should be protected, while some of those international trips should be reviewed?

Mr Walker: What the BBC can offer as a distinctive value is genuinely local coverage and support for local teams who otherwise might not be able to secure coverage. I agree with the hon. Gentleman that the BBC should be looking at its budget for covering some international sporting events to protect more local ones.

I am concerned for fans of Worcestershire county cricket club, of which I am one. They have enjoyed ball-by-ball coverage and the dulcet tones of Dave Bradley, and they will be concerned that sharing weekday afternoon programming may put that at risk. What hope have fans of Worcester City FC and the Worcester Wolves basketball team of receiving local radio coverage in future? More regional programming must mean less local sport, and as any Member could tell us, the local loyalties of sports fans are not easily mapped or divided into regions.

Jim Shannon: Will the hon. Gentleman give way?

Mr Walker: I have given way to the hon. Gentleman once before, so I am afraid I will not give way again. I want to allow time for other hon. Members to raise their concerns, so I do not intend to speak for too much longer.

Some would argue that local news can be provided just as well by the private sector, and indeed in Worcester we have a very good private sector offering. I often enjoy listening to Wyvern FM and reading both the *Worcester News* and the *Worcester Standard*, but they do not offer the same service as the BBC. They can be excellent media organisations—

Dr Andrew Murrison (South West Wiltshire) (Con): I am grateful to my hon. Friend, who is being extremely generous in giving way. I agree with everything he has said, but what part might community radio stations have in the mix?

Mr Walker: My hon. Friend makes a good point; community radio stations can play an important part. I am not sure that they necessarily have the same reach as the BBC, and people appreciate the public service ethos of the BBC, particularly when it comes to times of crisis.

George Freeman (Mid Norfolk) (Con): I thank my hon. Friend for giving way on that point, and I congratulate him on being so eloquent in outlining the benefits of local radio, such as BBC Radio Norfolk, in terms of community democracy and economy.

Did my hon. Friend see the recent comments of the head of news at the BBC, who was reported as saying that it is time that we all grew up? Does he agree that this proposal—which seeks to cut at the grass roots while paying huge salaries to the director-general of the BBC and to other, what I would call fat cats in the organisation—is symptomatic of the current situation? My constituents in Mid Norfolk would be bemused to hear that a public sector organisation continues to indulge in such things at a time when local grass roots are being cut so badly.

Mr Walker: My hon. Friend makes a strong point; the fact is that we are having a grown-up debate today and discussing something that matters to our constituents.

More broadly, all such media organisations are under strain. They are all suffering cuts at the moment, so we are not operating in a space where the BBC is encroaching on the territory of private media organisations; rather, it is the opposite. It is important that we should be supporting local radio at this time.

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): I am sure that my hon. Friend is aware that the most recent listening figures show that the overall weekly reach for BBC local radio is 7.4 million, which is actually 700,000 more than last year. That shows that local communities value local radio and that they like local news. If we are discussing public service broadcasting, that is the type of broadcasting that people want. Does he agree that the BBC should listen to that, make cuts in the back office in White City and at the expense of highly paid presenters, and preserve front-line services?

Mr Walker: I entirely agree with my hon. Friend. I hope that the BBC Trust is listening carefully to today's debate.

I am looking forward to the Minister's response, although I appreciate that he will have to point out that the BBC is still in the process of consultation and that many of these matters are as yet undecided.

Alison Seabeck (Plymouth, Moor View) (Lab): This has been a really good debate so far. Radio Plymouth is a small, local station—Gordon Sparks does the morning show and the sports coverage—and BBC Radio Devon offers an award-winning, fantastic service locally. With the Government's general emphasis on local decision

making and localism, is it not important that local radio stations are there to enable communities to discuss such issues?

Mr Walker: In a word, yes.

As I have said before, local radio remains a vital public service. I ask the Minister to communicate to the BBC Trust the strong feelings of the many hon. Members from all parties gathered here today about the value of local radio, the special case that it represents within the BBC, the risks of focusing on regions that mean nothing to the people who live in them, and the many local concerns that have been raised by these proposals. There are so many of us here today because this matters in our constituencies. I am proud to have been able to open the debate and to speak up on behalf of local radio.

Several hon. Members *rose—*

Sandra Osborne (in the Chair): Order. Thirteen Members want to speak, and I intend to call the Front Benchers at 10.40 am, so Members can do their own calculations.

9.54 am

John McDonnell (Hayes and Harlington) (Lab): I will be extremely brief. If nothing else, this debate has been a welcome opportunity for everyone to get a plug in for their local station, which I am sure will ensure them coverage in the future. On that basis, can I speak up for BBC Radio London, which seems to be bearing the brunt of some of the cuts?

As the hon. Member for Worcester (Mr Walker) has said, local radio is at the heart of our local communities. It holds us all to account—both MPs and local authorities. To undermine that at this stage, particularly given the Government's emphasis on localism, seems to run counter to everything that the House stands for and the Government's proposals.

There has to be some element of contention in this debate. The whole issue of the cuts stems from the licence fee settlement, and I feel that the Government need to look at reopening that debate. I believe that there were undue influences from the Murdoch empire on the settlement, which therefore resulted in wholesale cuts. It is not just local radio; it is the BBC as a whole, which now envisages cutting 2,000 jobs. As we have heard, some of the brunt of that will fall on local radio. Last night, the National Union of Journalists announced that it will ballot on industrial action. That comes at a time when, frankly, the BBC is needed more than ever, given the issues that are being addressed both nationally and internationally.

I urge the Government to think again about the licence fee settlement. The licence fee is frozen until 2017. Since 2004—we have criticised the previous Government for this—there have been 1,000 job cuts a year, with now another 2,000 on top. The BBC also faces the possibility of being burdened with the funding of regional television, which will mean another round of job cuts and service cuts in future years.

Sarah Newton (Truro and Falmouth) (Con): Does the hon. Gentleman think that it is appropriate that hard-working families in my constituency should have to enable the BBC to employ Kylie Minogue to front a show at a cost of more than £1 million, as we hear in the news today?

John McDonnell: Of course not. The issue of high salaries within the BBC has already been raised and, along with some of the profligate spending at higher levels, that needs to be addressed and resolved. At the end of the day, however, that will not deliver the necessary savings to overcome the threat of cuts across the BBC and into local radio. Therefore, at some stage, the licence fee issue needs to be addressed again.

Mr Marcus Jones: The hon. Gentleman has mentioned BBC cuts. Is it fair and right that the BBC should first look to cut its cloth according to its coat, before it looks to the general public for more money from the licence fee each year?

John McDonnell: I repeat the point that, of course, we all want the BBC to address that agenda, but the savings that we—and Select Committees—have all tried to identify will not meet the overall requirements. Therefore, the licence fee debate needs to be reopened.

I will end on this note. We can all protect our local radio stations and that is what we are here to do. As the BBC enters into further consultation, I hope that it is listening to this debate. In particular, I hope that the BBC Trust board is listening, because it has the responsibility to rein in the BBC management on this issue. We have to re-address the issue of the long-term funding of the BBC, which means that we must look at how the licence fee settlement was arrived at. I believe that there were undue influences. I do not believe that adequate cognisance was taken of the views expressed in the consultation process.

George Freeman: Does the hon. Gentleman have any evidence to back up that assertion?

John McDonnell: That is one issue that we have been raising with Ministers, because it would be helpful if they published the information about the number of times that they met with the Murdoch empire to discuss the licence fee settlement. I would welcome the Minister's response to that, because, up until now, we have not received any detailed information about the times that they met with Murdoch and the times that they discussed the licence fee settlement.

During the licence fee debate, James Murdoch made various statements, including one at a lecture in a Scotland, that particularly focused on reducing the licence fee so that the Murdoch empire could exploit and develop at the expense of the BBC. There is an issue that must be addressed, and we will have to return to it time and again not only in the context of local radio, but of BBC funding itself.

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): I can put on the record that I have never discussed the licence fee with Rupert Murdoch or the Murdoch empire. Funnily enough, the most influential discussion that I have had was with the Guardian Media Group, which complained about the size of the BBC website.

John McDonnell: To be frank, those discussions around the BBC licence fee that took place with News International were above the Minister's pay grade. However, as he will know, I have always looked forward to his promotion at some future date.

I want to end on this point, because so many hon. Members want to speak. Of course we all support our local radio; of course this devastation cannot take place; and of course we look to BBC management to look for savings in the high salaries and profligate expenditure identified by hon. Members. At the end of the day, however, we will have to return to the licence fee debate. We need more transparency and openness from the Government on how the licence fee decision was taken and on the undue influence of the Murdoch empire, which has presented the problems we face today.

10 am

Stephen Gilbert (St Austell and Newquay) (LD): I do not intend to detain the House for long, but I want to congratulate my hon. Friend the Member for Worcester (Mr Walker) on the gentlemanly and fantastic way in which he opened today's debate and on his generosity to colleagues.

We all agree that local radio is a key component of our community. Local radio helps to bind the community together and creates distinctiveness across our nation. Local radio is a centre for people to get news and views. As the hon. Member for Plymouth, Moor View (Alison Seabeck) said, as we move into a localist agenda, local radio will help to hold local politicians to account, sometimes whether we like it or not.

Local radio is also fantastically good value for money. Of the £145 a year that is collected per TV licence, only some 4p in every £1 goes to BBC local radio. BBC Radio Cornwall, for example, has an annual cost of some £1.6 million, but it reaches 142,000 people a year. That is fantastic value compared with other outlets such as BBC Radio Cymru, which costs £16.1 million a year but only reaches an additional 4,000 people.

Duncan Hames (Chippenham) (LD): Anyone who thinks that BBC local radio is expensive should visit the studios in the backstreets of Swindon, where the furniture is made of chipboard and I swear the offices have not been decorated in more than 30 years. My local radio service is exceptionally good. I am sure the station will not mind my saying that, as well as being exceptional and cheerful, the service is certainly cheap.

Stephen Gilbert: My hon. Friend makes a fantastic point. I like to think of BBC local radio as cheap and cheerful, often serving the community and holding it together on a shoestring.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): For many BBC listeners and users who pay the licence fee, local radio is their only contact with the BBC. Some 2 million BBC radio listeners have no other contact. Reducing the service, therefore, is a disservice to those people.

Stephen Gilbert: The hon. Lady makes an excellent point. The floods in my constituency in November last year showed and brought home to me how much of a lifesaver the news and advice provided by local radio is to a community at times of crisis. The absolute importance of that should not be underestimated by the House.

Damian Collins (Folkestone and Hythe) (Con): Like all of us, I champion my BBC local radio station, in Kent, for its excellent work. Does my hon. Friend agree that we should not forget the excellent work of independent local radio, particularly community radio stations, which provide an excellent voice for local people at no cost to the taxpayer?

Stephen Gilbert: My hon. Friend makes an eloquent point, and I agree with him entirely.

Sarah Newton: I endorse totally my hon. Friend's remarks on BBC Radio Cornwall. Does he agree that, as we live in a remote and peripheral part of the country with a great deal of deprivation, commercial radio would be unable to step into the gap left by cuts to BBC Radio Cornwall? We have great local independent radio stations that do a very good job, but they do not have the newsgathering capability that we need.

Stephen Gilbert: My hon. Friend is right: Radio Cornwall is necessary in a rural, peripheral and remote area of the United Kingdom.

I do not want to detain the House for much longer, but I want to make one final point. It is unfortunate that BBC Radio 4 is not coming under closer scrutiny. I confess that I often go to sleep with BBC Radio 4 on in the background. My mother suggests that that is why I speak as I do, rather than with a Cornish accent. BBC Radio 4 is London-centric. Some 78% of its listeners come from the ABC1 demographic, and 44% of its listeners are based in London and the home counties.

Alison McGovern (Wirral South) (Lab): The hon. Gentleman is from Cornwall, which, like Merseyside, is an area of our country with an extremely strong identity. We are proud scousers all, and Radio Merseyside helps to define who we are, as I am sure Radio Cornwall helps to define people in Cornwall. Does he agree that this is a question not just of what funding goes where, but of identity, heritage and culture?

Stephen Gilbert: The hon. Lady is entirely right. We risk undermining such regional distinctiveness if we continue to privilege one radio station, BBC Radio 4, above all else. BBC Radio 4 needs closer scrutiny.

10.5 am

Diana Johnson (Kingston upon Hull North) (Lab): I want specifically to address the role of local radio in dealing with civil emergencies. As a Member who represents Hull, which suffered greatly in the 2007 floods, I know that the information given out by the local radio station, Radio Humberside, was important for local people. It was important for local people to know what was happening and what the police and fire service were advising, and to get information on the state of the roads in the city and on school closures. Radio Humberside actually became the fourth emergency service for its listeners.

Andrew Percy (Brigg and Goole) (Con): When we had flooding in Goole this summer—the hon. Lady is a near neighbour and I am sure she was listening—within

seconds of my tweeting on the heavy rain that caused the flooding of hundreds of properties, Radio Humberside was on the telephone wanting to know what was happening. Radio Humberside gave out that advice immediately.

Diana Johnson: The hon. Gentleman makes a very important point. Our part of the world has problems with flooding, and Radio Humberside is excellent at picking up on it and is on the scene straight away to get out information. Radio Humberside is excellent, and I pay tribute to its work on that particular issue, as well as all of its other work.

In December 2007, Radio Humberside was recognised by the Prime Minister of the day as one of the flood heroes. Peter Levy came to London and was awarded a certificate for Radio Humberside's work.

Barbara Keeley (Worsley and Eccles South) (Lab): It seems that many Members have experienced floods. It is coming up to a year since we had a terrible gas explosion, which was covered by BBC Radio Manchester. Some 200 families were evacuated—so it was a similar situation—and I praise BBC Radio Manchester's unrivalled coverage of that terrible crisis for the affected families across the area.

Diana Johnson: My hon. Friend makes a very important point. In the days, weeks and months following the floods, Radio Humberside gave people information from the National Flood Forum on what they should do and where they could seek advice, which was important. Many hon. Members across the House know of the importance of local radio.

I will finish shortly because many other hon. Members wish to speak. I am told that, if there is a civil emergency, local radio broadcasting on, say, a pan-Yorkshire basis could switch back to very local transmission. Given the reduction in staff numbers and available resources, I do not know how feasible that would be, how quickly it could happen and whether we would get the service we need.

My final comment is on the demographics of the people in my constituency who listen to Radio Humberside. Overall, 79% of listeners come from the C, D and E demographics, and, as other Members have said, they do not access BBC services in any other way. Those groups are the hardest to reach with public service information, so it is vital that local radio output gets to those people whom we cannot reach in any other way.

10.9 am

Jason McCartney (Colne Valley) (Con): It is an honour to serve under your chairmanship, Mrs Osborne. I congratulate my hon. Friend the Member for Worcester (Mr Walker) on securing this timely debate. The attendance is fantastic.

I will talk about football in a moment, not least because of Huddersfield Town's thrilling 2-2 draw at Scunthorpe United last night, which takes Huddersfield's unbeaten league run to 40 matches. Coverage, of course, is on BBC Radio Leeds, more of which in a moment.

Let me clearly state that I accept and support the freezing of the BBC licence fee. It is right that the fee should not go up during these tough economic times. I want to comment on how the BBC chooses to spend what money it has, rather than campaign for an increase in its budget. The issue is all about choices for the BBC top brass and about protecting the front line, and nothing is more front-line than BBC local radio.

Justin Tomlinson (North Swindon) (Con): On making choices, we might consider savings on middle management across the BBC. Its careers website lists an asset acquisitions co-ordinator, a database architect and a thematic adviser, and I have no doubt that the people of Swindon would prioritise our shoestring, award-winning breakfast show over those examples.

Jason McCartney: Those are fine examples, and I congratulate my hon. Friend on them. I should have written them into my speech.

In a previous Westminster Hall debate, I spoke about the value and vital community role of speech-based BBC local radio, which is a much listened to front-line service that is not provided by any other broadcaster. I particularly love BBC local radio, not just as a listener and—as a Member of Parliament—a contributor, but as a former BBC local radio employee. I used to report for BBC Tees, or BBC Radio Cleveland as it then was, when Juninho, Emerson and Ravanelli were playing for the Boro. Those were very exciting times.

Sarah Newton: My hon. Friend is making an extremely good point. BBC Radio Cornwall will lose 36% of its local output, which means cuts in our language broadcasting. The spoken word is so important, and the only opportunity for Cornish speakers to have news and content for them will be lost if the cuts go ahead.

Jason McCartney: I agree with my hon. Friend's excellent point. Speech-based services are not usually offered by commercial radio, and the cuts come at a time when even those commercial radio stations that have news and speech-based services are cutting them back and concentrating on more music output.

Lilian Greenwood (Nottingham South) (Lab): The hon. Gentleman is making an important point about speech-based radio. In relation to music, commercial radio tends to focus on chart hits, but stations such as BBC Radio Nottingham provide opportunities for local musicians and artists to be heard, who would never have those opportunities on commercial radio. Does he agree that local radio also acts as a champion for local artists and popular culture?

Jason McCartney: The hon. Lady makes a superb point about the variety of musical choices. BBC Radio Leeds has a session for unsigned bands on Thursday evenings and has Yorkshire brass on a Sunday afternoon.

I want to concentrate on local sports. The coverage of local rugby league will be cut back at BBC Radio Leeds. Where will rugby league fans be able to keep up to date with the likes of the Dewsbury Rams, the Hunslet Hawks and Halifax? There will be the odd score flash about the Bradford Bulls and the Huddersfield Giants on Radio 5 Live, because they play super league games, but full match coverage of such games is rare on Radio 5 Live, which is very focused on football.

Greg Mulholland (Leeds North West) (LD): Will my hon. Friend give way?

Jason McCartney: I give way to my hon. Friend, who is a big advocate for rugby league.

Greg Mulholland: Last night, my hon. Friend and other members of the all-party group on rugby league heard about the amazing community work that is being done by rugby league. The cuts to many of the stations that have been mentioned will do real damage not only to the coverage of the sport, but to its ability to assist in the community. Does he agree that there should be a full impact assessment of the effect on rugby league before any decisions are made?

Jason McCartney: My hon. Friend is right, and we will take the matter forward with the all-party group on rugby league.

Derek Twigg (Halton) (Lab): I praise the hon. Gentleman for his speech, because he is making an important point about sport. I was brought up in a family that listened to BBC Radio Merseyside all the time. It is an excellent radio station, which has not only local but regional coverage. One reason why we listened to it was for the sports coverage.

As the hon. Gentleman will know, rugby league is a very important sport in my area. There is not only the issue about dealing with community views and getting messages across, but about ensuring that the coverage remains at the same level. The worry is that other sports will be covered and that rugby league will be left behind. Does he agree that we should talk to the BBC and strongly make the point that rugby league must retain the same focus?

Jason McCartney: I absolutely agree, particularly as we head towards the Olympics. Olympic sports will receive a lot of coverage, but we must not forget the heritage sports. Coming from Huddersfield, the birthplace of rugby league, I will work very hard on that with the all-party group on rugby league.

Several hon. Members *rose—*

Jason McCartney: After my next paragraph, I will take a couple more interventions and then sit down.

As for football, BBC Radio Leeds provides super coverage of Leeds United, Bradford City and—my team—Huddersfield Town. I was among 16,000 fans who saw Town beat Preston 3-1 at home on Saturday. This weekend, Town are way down at Yeovil and most of those fans, including me, will be tuning in to BBC Radio Leeds' top team of Paul "Oggy" Ogden and former Town midfielder Kieran O'Regan for their biased, passionate and knowledgeable match coverage. Their superb commentary includes the use of tweets, Facebook and lots of fan interaction, but BBC Radio Leeds now says that it is to ditch coverage of away matches and, instead of Oggy and Kieran, the home side's local radio team will provide the commentary. It just will not be the same—gone will be the passion and the in-depth knowledge that are synonymous with footy fans.

Mark Menzies (Fylde) (Con): That will happen not only to sports coverage. BBC Radio Lancashire is concerned that all outside broadcasting will be affected, and we should put pressure on the BBC to sort that out.

Jason McCartney: My hon. Friend makes a good point. Outside broadcasts are important, as we have heard, at times of emergency—floods, major job losses and, in my part of Yorkshire, heavy snow. The reading out by BBC Radio Leeds in the morning of the list of school closures was very valuable and useful to parents.

Richard Graham (Gloucester) (Con): My hon. Friend is making a passionate case for the continuance of rugby league coverage on BBC Radio Leeds. I am sure he agrees that, in my part of the world, in Gloucester, it is important to continue to have coverage of rugby union, especially so that the roar from the Shed when we score tries against the team in the constituency of my hon. Friend the Member for Worcester (Mr Walker)—the Worcester Warriors—can be heard across the county.

Jason McCartney: I hope the players are not out nightclubbing the night before.

Whether the local coverage is of football, rugby league or basketball, the BBC must revisit its decision. It should think again about priorities—instead of big exec salaries, having hundreds at Glastonbury and copy-cat programming that is produced by other broadcasters—and focus on local output and on local sport.

10.16 am

Angela Smith (Penistone and Stocksbridge) (Lab): I congratulate the hon. Member for Worcester (Mr Walker) on securing this important debate. I ask every Member who is attending today to go back to their office at 11 am and to put in a request to the Chair of the Backbench Business Committee for a debate in the main Chamber as soon as possible, because the subject is sufficiently important to be worthy of such a debate. There is consensus, and we need to make the trust totally aware of the importance of local radio.

Dr Thérèse Coffey (Suffolk Coastal) (Con): I encourage the hon. Lady to ask hon. Members to write to their noble Friends in the other place, so that Lord Patten can listen directly to their parliamentary views.

Angela Smith: I completely agree.

My local station is BBC Radio Sheffield. It was the country's second local radio station, and it started broadcasting almost 44 years ago in 1967. Last November, it was voted the station of the year at the prestigious Gillard awards. We feel that our local radio station is the best in the country, although not all Members in the Chamber would agree with me.

One thing is for sure—BBC Radio Sheffield plays an important part in ensuring that local people keep in touch with the world around them. As one local journalist said to me last week, "BBC radio serves a lot of people, many of whom may be poor, old and working class, and not very well served elsewhere on the radio network."

Sarah Newton: Will the hon. Lady give way?

Angela Smith: No, because the hon. Lady has intervened three times already.

In the previous Adjournment debate on this topic, I talked about the popularity of some of our presenters. However, I want to focus today on how the proposals published by the trust will impact on my radio station. That impact threatens to be drastic. During the week, output will go regional at 1 pm and drive-time broadcasting will be local, but the output will then go national after 6 pm. On Sundays, local broadcasting will end at 1 pm. The total reduction in local broadcasting is way beyond the 20% cited by the trust—it is nearly 50%.

The station's popular afternoon show, hosted by Paulette Edwards, faces the chop. As Yorkshire Members will know, there was a pilot recently in Yorkshire where that afternoon slot was shared regionally. It is fair to say that the pilot was not successful, with the vast majority of respondents to the consultation commenting that they wanted to see the return of the dedicated south Yorkshire show hosted by Paulette Edwards. I agree with them. I do not want to hear about a lost dog in York or a cat stuck up a tree in Leeds, and I am sure that the people of Leeds and York do not want to hear about the ups and downs of south Yorkshire sport, particularly its football clubs.

Martin Horwood (Cheltenham) (LD): Does the hon. Lady agree that the shift towards more regional programming is about not only the hours broadcast, but the threat to the local knowledge of that station? Such knowledge really matters when it comes to events such as the Gloucestershire floods or even to reporting the current fantastic run of victories by Cheltenham Town football club, which is currently near the top of league two.

Angela Smith: I agree. As the hon. Member for Colne Valley (Jason McCartney) has pointed out, under the proposal, coverage of local football teams playing away from home would be abolished. At present, BBC Radio Sheffield listeners enjoy commentary from Seth Bennett, Paul Walker and Andy Giddings. When Sheffield Wednesday play Huddersfield Town soon, I do not want other people's commentators telling me about my team's performance at that match. Similarly, the hon. Gentleman will not want to hear Seth Bennett commenting on Huddersfield when his team comes to Hillsborough to be beaten very soon. If implemented, the proposals will mean that almost 20% of locally employed BBC Radio Sheffield staff might face redundancy, with a full-time equivalent reduction of nine posts out of 40, which would seriously impinge on the station's ability to provide a rounded and informed local service.

Turning to the comments made by the hon. Member for Colne Valley, we are where we are with the freezing of the licence fee. Unfortunately, the BBC must find savings, whether we agree with them or not. It is right to defend local radio and to point out that the BBC has decided to protect Radio 4, BBC 1, much of children's TV and the BBC Proms series, which will receive investment at the expense of local radio. Although local radio is the most expensive BBC radio service, with running costs of £118 million, it delivers 40 stations and has an audience of more than 7 million listeners. In comparison, Radio 4 costs approximately £96 million and Radio 5 Live costs approximately £60 million, with both delivering a significantly smaller audience than local radio. Almost 250,000 people listen to BBC Radio Sheffield every week, which equates to 19% of the market. Unsurprisingly, sports coverage is very popular. On Saturday afternoons, 25% of the local audience turns the dial to BBC Radio Sheffield, which says much about the quality of our sports coverage.

Ian Lavery (Wansbeck) (Lab): On sports coverage, does my hon. Friend agree that many people who listen on a Saturday afternoon are very vulnerable? They do not have sufficient finances, they are less well off and many of them are disabled people who cannot get to sports events. To stop feeling totally isolated from society, they rely heavily on local radio to give a quality service at least once a week.

Angela Smith: I agree, and I shall make that point more fully shortly.

The average age of a BBC Radio Sheffield listener is 54, and although sports coverage and the breakfast show enjoy a lower age profile, from 10 am onwards the audience is made up of older people, many of whom regard the station as their key and sometimes only contact with the world around them. Two thirds of the station's audience are classed socially as C2, D and E, and many people listen to no station other than BBC Radio Sheffield. It is true that Radio 2 and our commercial radio, Radio Hallam, have a bigger audience than BBC Radio Sheffield, but BBC Radio Sheffield's share is significantly higher than that of Radio 4, which gets 12% a week, or 157,000 listeners, and Radio 5 Live, which gets 9.9%, or 126,000 listeners a week.

Those figures suggest that audiences value a local offer, yet in the proposals, Radio 4 would be protected and local radio would be cut. Again, in an organisation with a historical culture of top-down management, we are seeing centralised decision making at the expense of the localism that I thought we were all in favour of nowadays. BBC local radio is unique, because no one else in the BBC or in the commercial sector offers a similar service. As a BBC journalist who used to work in local radio said to me only last week, the amount of time given to producers and researchers at Radio 4 for making features is so much longer than in local radio. I know they have had some of the fat cut over the past few years, but they still have an amazing luxury of time over their colleagues in local radio. I would not want to see Radio 4 cut drastically, but it could take its fair share of cuts.

BBC local radio represents public service broadcasting at its best. Its audience will suffer a significantly reduced service if the cuts go ahead on the scale proposed. However, because, by its nature, its audience is disparate, the chances are that their views will not be expressed in the consultation. That is why this debate is important and why it should be heard in the main Chamber. I urge colleagues to request that today, so that our constituents' views can be aired properly.

10.25 am

Mr Roger Gale (North Thanet) (Con): The BBC has had to recognise that savings must be made, as has every family in the land. The problem is that, instead of doing what needed to be done, the BBC management chose to salami-slice its operation. Instead of seeing vanity projects going, cuts in waste on real estate and cuts in stars' and management salaries, we are seeing a series of identical slices across the board. For a television programme or

[Mr Roger Gale]

channel, those slices are relatively modest and do not make a huge impact. When applied to local radio, however, those same slices make a significant difference.

As an aside, which may be a cheap shot, I could not help noticing from the figures that an Opposition Member gave that the director-general of the BBC earns, as an annual salary, almost twice the cuts that are being demanded of BBC Radio Merseyside.

Esther McVey: My hon. Friend's reference to salami slices and cuts that are not thought through reflects the situation of BBC Radio Merseyside, which will lose one third of its staff. The BBC has not thought it through.

Mr Gale: The point is made. The BBC has created a plethora of channels and the management should be considering the arguments. I hope that the trustees will take the debate on board, because you can bet your sweet life that the BBC management will not listen. We therefore must go to the trustees and say, "Please listen. This matters." It matters to the people whom everyone in this Chamber and all our other colleagues represent.

Local radio is important for all the reasons that have been stated. It is important for health and security, and it is a lifeline at times of crisis. We must reinforce the point that it is also a vital training ground for young journalists. Many people have cut their teeth in BBC local radio: Kate Adie used to work for BBC Plymouth; Libby Purves used to work for BBC Oxford; and someone called Roger Gale trained at BBC Radio London—[Hon. Members: "Where is he now?"]—and then disappeared without trace. If we allow the cuts to go ahead, broadcasting in general—not only in BBC local radio, but in national radio, in local and national television, and in all the other stations that have fed off that training process for years—will be all the poorer. Once that infrastructure has gone, it will be impossible to get it back again.

One point has not been made well enough. People listening to the debate will say, "They've all missed the point. We are promising them another political reporter and we will maintain the breakfast and drive programmes. We will preserve all the things that matter." No, what really matters is the whole structure of BBC local radio. The BBC has always argued that it does not want ghetto broadcasting, saying that it will not cream off the important bits and that it has to provide a rounded programme. The people who listen to BBC local radio listen to it all, not just a bit of it. That means that the music in the afternoon, the community programmes, and people such as Jo Burn on BBC Radio Kent, who does wonderful work in the community, matter a great deal.

Dr Poulter: My hon. Friend makes an excellent point in what is an excellent speech. The reason why BBC local radio is so successful and has that holistic view is that it is based in the core of local communities. As he has said, it is not simply about ensuring that the drive-time show is on; it is about reporters who go out to communities and pick up local stories. It is about the community projects that BBC local radio supports, such as the Treehouse appeal for a local children's hospital that BBC Radio Suffolk supports. That is why local radio is so valuable, and the trustees of the BBC must listen to this debate.

Mr Gale: That is a precise summary of the entire argument. This issue matters to real people living real lives, who are not the people in the higher reaches of Broadcasting house, television centre or Salford quays—wherever that is—but the people we represent. We must all impress upon the trustees that they have to take this proposal back, listen and make cuts not in local radio but where they can and should be made.

10.30 am

Mr Ben Bradshaw (Exeter) (Lab): I am heartened by what is the best turnout I can remember for a Westminster Hall debate. I declare an interest: I began my broadcasting career with BBC Radio Devon.

The focus of this debate has rightly been on local radio, but at least one Member has mentioned that regional TV current affairs programmes face even bigger cuts, particularly the "Inside Out" programme, which has more viewers than "Panorama," and some of the biggest national documentaries. As MPs, we are acutely aware of the importance of local radio and regional TV to the health of our democracy, and at a time when ITV, independent local radio and local newspapers are doing less local news and current affairs it is vital that the BBC maintain its commitment to quality, and to local and regional output.

I understand that the BBC has to make savings because of the severe and, in my view, unjustified cuts imposed on it by the Government, but the corporation should take a much more long-term strategic approach to its reduced circumstances. Instead of trying to continue to do everything it currently does but with less money, salami-slicing—as the hon. Member for North Thanet (Mr Gale) said—programmes that are already cut to the bone, it should be bold and stop doing things that few people watch or listen to, or that the commercial sector already does perfectly adequately. The BBC management seems to have been so traumatised by the backlash to its earlier proposals to close 6 Music and the Asian Network that it will not now contemplate closing down anything. That is not leadership and, as a number of Members have said, the current proposals reflect a strong London and south-east bias.

Barbara Keeley: BBC local radio costs only a few pence per user, but the coverage of sports such as rugby league, which are important in the north of England and for which BBC Manchester has won a prestigious award, would be lost. A crucial factor is that the coverage costs only a few pence an hour.

Mr Bradshaw: I absolutely agree.

I will finish on this point because other Members want to speak. At the end of the current consultation, the BBC Trust will make the final decision on the proposals; I hope that it does the job that Parliament gave it and tells the BBC that when it comes to local radio and regional television current affairs, it must think again.

10.32 am

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mrs Osborne. This is one of the best attended Westminster Hall debates that I have been in as an MP.

I am conscious of the time and will not take many minutes. After speaking in a previous debate on this subject, I last week presented a petition with more than 2,000 signatures, from my constituents and people across the whole of Liverpool who are absolutely aghast at the cuts that the BBC proposes for BBC Radio Merseyside. BBC Radio Merseyside is the most listened to of the BBC's 39 local radio stations outside London, with more than 300,000 listeners. One of the most pertinent facts is that the station has average listening hours of 16.2, compared with 11.7 for Radio 4. My constituents and the people of Merseyside depend on the service.

Bill Esterson: I congratulate my hon. Friend on the very strong case she has made on behalf of BBC Radio Merseyside over a number of months. A statistic that has really struck me is that the station gets 16.7% of all radio listening in the area, compared with just 8% for Radio 4. That makes a strong case for the importance of local radio over national radio in Merseyside.

Luciana Berger: I thank my hon. Friend for making that point. Another statistic is that a disproportionate number of constituents over the age of 65 listen to BBC Radio Merseyside. Some 42% of the audience is in that age group, and 27% is in demographic groups D and E. I add my voice to the representations made by a number of Members this morning, about this being yet another assault by the BBC on people who are consistently left out and do not have services—they depend on their BBC local radio.

We received a representation from the BBC in advance of this debate, from Julia Ockenden in its public affairs unit. She makes the point that with local radio the savings are only 12%, but she goes on to state:

> "However the savings feel higher because the cost of buildings and technology needed to broadcast in 40 locations means that we cannot avoid cuts being made to the number of programme makers. That's why in some stations we will be reducing teams by over 20%."

That is happening at BBC Radio Merseyside. We have the fixed costs of the building, so the cuts will have to fall disproportionately on staff numbers, which will impact on our news service and sports programming, and on some very specialist music programmes that my constituents enjoy.

BBC Radio 4's £119 million budget has been protected. That is three times the budget of the largest commercial radio station, and only a couple of million less than the amount that all 39 local BBC radio stations will have as a result of the proposed cuts. The "You and Yours" programme on Radio 4, which broadcasts for just one hour a day, five days a week, has more staff than the entire complement of BBC Radio Merseyside. The impact of the proposed cuts on all the programming is a travesty.

Several hon. Members *rose—*

Sandra Osborne (in the Chair): Order. I remind Members that I intend to call the Front-Bench spokespeople at 10.40 am.

10.36 am

Ian Swales (Redcar) (LD): This is an extremely well-attended debate. Given the time available, and as there is an amazing amount of consensus in the room, I will not repeat what other Members have said.

We have heard about the 20% cuts, and Radio Tees, on whose behalf I speak, faces that sort of budget reduction, but the BBC needs to explain why other radio stations are getting much smaller cuts; for example in Berkshire it is 7% and in Somerset, 2%. As a public organisation, it is really important that the BBC explains to the public how it has made its decisions. We all pay our licence fee and deserve a level of service that does not depend on geography, so the BBC needs to explain how the proposals relate to the important parts of its charter that require it to deliver such services.

Radio Tees is a fantastic organisation, and it is amazing that we have an ex-employee in the room. Nearly every MP from the Tees area has been in the debate today. The station provides a fantastic service to a very large population in not just the Tees valley but a large part of north Yorkshire and south Durham. The service is led by the peerless Ali Brownlee, who does not only the football commentary but the morning show.

How can the BBC make other savings? We have heard about ludicrous salaries; most Members in this room could probably earn more somewhere out there but we are here because we want to provide a public service. If a BBC manager requires £500,000 to do a management job, we have the wrong person in the job. It is important that we start to put the public service element back into our public services. Why are there more pundits on "Match of the Day" than on any other football show? Why were there more BBC people than UK competitors in Beijing? That is ludicrous. The BBC needs to take a long hard look at itself before slashing radio services. Why is it slashing them? If we wanted to be cynical, we could say that the best way to get people to campaign about the licence fee is to cut the very services they depend on every day. I hope that is not true, but I am suspicious.

Gareth Johnson (Dartford) (Con): The hon. Gentleman has talked about presenters on his local radio station. Does he agree that the very local nature of radio stations means that there is a bond between the presenters and the listeners? They live in the same area, shop in the same shops and get stuck in the same traffic jams. That bond is a shared experience that does not exist anywhere in the national media.

Ian Swales: I absolutely agree. Only last Friday night I was at a charity brass band concert for Help for Heroes in Marske in my constituency, and it was introduced for nothing by the BBC Tees presenter John Foster.

Esther McVey: I want the BBC to think about the cuts, which will be self-defeating. Radio Merseyside could lose a third of its staff. What will be the results for accuracy of cutting so many staff?

Ian Swales: I agree. The BBC has an important duty to be accurate.

Another point that has not been made is that the BBC must listen to the listeners. What do they want? I think that the BBC will find that listeners value radio far more highly than some of the other services that it offers. It should reconsider the cuts. In the words of the great Joni Mitchell song, you don't know what you've got till it's gone.

10.40 am

Helen Goodman (Bishop Auckland) (Lab): It is a pleasure to serve under you, Mrs Osborne. I congratulate the hon. Member for Worcester (Mr Walker) on initiating this first-class debate. There is clearly concern across the House; more than 50 Members have been here this morning. There is a lot more to say, and the BBC needs to hear that there is cross-party agreement on our serious concern about its proposed cuts to local radio.

My right hon. Friend the Member for Exeter (Mr Bradshaw) pointed out that the BBC must take a strategic approach to shaping services. At the moment, it is not clear that it has done so. Local radio accounts for only 4% of its costs, yet the cuts will have a disproportionate impact on local radio, not because the amount of money being sought—12%--is above average but because it obviously costs more to broadcast in lots of different places.

Nic Dakin (Scunthorpe) (Lab): My hon. Friend is making a good point. Does she agree that in the case of Radio Humberside, which is in its 40th anniversary year, losing 10 staff from a team of 42 will have the impact that she describes on quantity and quality of output?

Helen Goodman: Yes. My hon. Friend is quite right. One interesting thing that has emerged in this debate is the regional bias in the cuts. Many more Members from the north and west of the country are here, because those areas will be harder hit. Merseyside and Tees will be cut by 20%, while Somerset will be cut by 2%. It is not clear why. That also means that people will continue to feel that the BBC has a metropolitan bias.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): I agree with my hon. Friend. In my area, it is more than apparent to local people and BBC Tees that funds are being redirected to the south from the north-east, unfairly disadvantaging our local area.

Helen Goodman: My hon. Friend is right. There is a regional bias, a bias against radio rather than television and a bias in terms of which audiences will be hit. Many hon. Members have pointed out that BBC local radio is listened to more by older people and those on lower incomes. It is important that those people should have their fair share of public service broadcasting.

Hon. Members have raised four important issues involved in local radio broadcasting. The first is democratic accountability. If local councils and other regional bodies are to be democratically accountable, proper coverage of what they are doing is needed. Only local radio can give that. If people are to feel that their region is special and if local culture is to be maintained, people must be able to hear it on the radio. If people are to enjoy and maintain interest in local sport—we have heard about local sport from many hon. Members, sometimes at too great a length—local radio clearly has an important part to play. Many hon. Members also spoke about the important role of local radio at times of crisis. That is essential. The BBC management document says, "If there's a crisis, we'll slot ourselves in," but if the infrastructure has been lost, that cannot happen. The BBC needs the infrastructure to provide coverage at the right times.

Mr Iain Wright (Hartlepool) (Lab): I am enjoying my hon. Friend's speech. May I add another objective of local radio, which is to champion an area? BBC Tees has championed new and exciting renewable technologies as well as the closure of the Corus plant in Redcar and the opening of SSI. Radio can use its local distinctiveness to do things that other broadcasting media cannot.

Helen Goodman: My hon. Friend is absolutely right, although I do not know why he omitted to mention the great campaign to keep the Zurbaran paintings in the north.

Local radio has key roles to play. The hon. Member for North Thanet (Mr Gale) made a good point about recruiting journalists. Local radio gives people across the country a route into journalism. If this country is to have more social mobility, we need more openings for people to enter important professions. Furthermore, this country needs more regional news gathering. The cuts to local radio, combined with the cuts to television in both the public and independent sectors and to BBC Radio 5 Live, will result in far less national reporting on regional and local issues. That is another instance of bias. We frequently hear human interest stories from the United States while equally important and more interesting things are going on in our own country. Local broadcasting is the way to ensure that we hear about them.

When the Minister responds, I hope that he will not entirely wash his hands of the Government's responsibility for what is happening. Everybody agrees that some people employed by the BBC, either permanently or on short-term contracts, are paid ludicrously high salaries. Equally, everybody agrees that efficiencies can be achieved in London and in the services bought in by the BBC. None the less, does he still think that a six-year freeze in the licence fee is justified? We do not know what Mephistophelean deal was done; maybe he will enlighten us. That would be interesting, although I am sceptical that he will do so. When the six-year freeze was announced, it looked as though it would mean 20% cuts, 4% through efficiency and 16% through reductions in services. However, since then, the Chancellor of the Exchequer has not kept inflation under control, meaning that the cut will be much deeper.

Does the Minister have a new assessment of what the BBC cut will be in real terms? Given that it is coming at the beginning, we can all work out that the cuts will be larger. Does he not see that as a case for re-addressing the size of the licence fee? He must take into account that when British people are asked whether 40p a day is too much to pay for the BBC, they say, "No, 40p a day is good value." It is clear that the 7 million people who listen to local radio particularly value it. For 2 million people, local radio is their sole contact with the BBC. I cannot express too strongly how much we support local radio and want the cuts to be re-addressed.

10.48 am

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): I am grateful for the opportunity to speak under your chairmanship, Mrs Osborne. I congratulate my hon. Friend the Member for Worcester (Mr Walker) on securing this important debate, and I welcome the hon. Member for Bishop Auckland (Helen Goodman) to her position as shadow media spokesman for the Labour

party. I am grateful to all hon. Members who have participated in this debate. I did a quick head count while the Chamber was full and came to about 46 Members, but it might be like the euro-rebels—a refined count might yield a higher number, given how many came in during the debate.

We have heard interventions from my hon. Friends the Members for Hexham (Guy Opperman), for Wirral West (Esther McVey) and for Tewkesbury (Mr Robertson), the hon. Member for St Ives (Andrew George), my hon. Friend the Member for Crewe and Nantwich (Mr Timpson), the hon. Member for Leicester South (Jonathan Ashworth), my hon. Friend the Member for Nuneaton (Mr Jones), the hon. Member for Liverpool, Wavertree (Luciana Berger), my hon. Friends the Members for South West Wiltshire (Dr Murrison), for Mid Norfolk (George Freeman), for Central Suffolk and North Ipswich (Dr Poulter) and for Suffolk Coastal (Dr Coffey), the hon. Members for Plymouth, Moor View (Alison Seabeck) and for Chippenham (Duncan Hames), my hon. Friend the Member for Brigg and Goole (Andrew Percy), the hon. Members for Leeds North West (Greg Mulholland) and for Halton (Derek Twigg), my hon. Friend the Member for Gloucester (Richard Graham) and the hon. Members for Middlesbrough South and East Cleveland (Tom Blenkinsop) and for Hartlepool (Mr Wright). I am sure that I have missed some.

We have also heard extended and learned speeches from the hon. Members for Hayes and Harlington (John McDonnell), for St Austell and Newquay (Stephen Gilbert) and for Kingston upon Hull North (Diana Johnson), my hon. Friend the Member for Colne Valley (Jason McCartney), the hon. Member for Penistone and Stocksbridge (Angela Smith), my hon. Friend the Member for North Thanet (Mr Gale) and the former Secretary of State for Culture, Media and Sport, the right hon. Member for Exeter (Mr Bradshaw), as well as from the hon. Members for Liverpool, Wavertree (Luciana Berger) and for Redcar (Ian Swales), before the contribution of the hon. Member for Bishop Auckland.

Barbara Keeley: The Minister has not mentioned the constituency of Worsley and Eccles South, which champions BBC Radio Manchester.

Mr Vaizey: As I have said, I stand to be corrected.

Mr Andrew Smith (Oxford East) (Lab): In the Minister's own interests, as well as mine, will he also mention Radio Oxford, where there is also a lot of concern?

Mr Vaizey: The right hon. Gentleman invites me to kick at an open goal.

I praise the BBC. It has put a lot of thought and hard work into delivering quality first. I will come to the licence fee payment in a moment, but no channels are closing. It has made some important strategic decisions and is looking to save about 11% of its budget in productivity and about 6% in terms of scope. It has also decided to go further on reductions in spending in order to have room to reinvest in programming and front-line services. I also welcome the extra investment in children's channels. I personally welcome the support for the Proms, and we can all have a view about Radio 4.

Ian Swales: May I recommend that the Minister gets one of his staff to plot the constituency names that he has listed? I think that he will find that very few of them are in the south-east and the London area. The intensity of the number of constituencies increases the further we get from London. That is a serious message.

Mr Vaizey: I think that my favourite pirate disc jockey, my hon. Friend the Member for North Thanet, would have something to say about that. As my hon. Friend the Member for Worcester anticipated, the consultation has started and it closes on 21 December, so Members have a chance to respond. Even better, the director-general of the BBC, Mark Thompson, and its chairman, Lord Patten, will come to Portcullis House on 2 November at 4.15 pm. I think there are still tickets available, although the meeting may have to be moved to Methodist Central Hall at this rate. For the benefit of my hon. Friend, it is a double whammy, because Lord Patten used to be a European Commissioner, so we can raise issues with him about the pernicious influence of the European Union, as well as talk about the BBC.

BBC local radio has 7 million listeners. The right hon. Member for Oxford East (Mr Smith) has invited me to talk about BBC Radio Oxford, and this debate gives us the chance to praise our local radio stations. The last time I praised BBC Radio Oxford, it turned it into a jingle, so let me say: "BBC Radio Oxford—your listening pleasure is assured, with Malcolm Boyden, Joel Hammer, Bill Heine, Lou Hannan and Paul Miller."

I would also like to mention Jack FM and Heart FM in Oxford. It is important to remember the role of commercial radio. The BBC has two thirds of radio listeners, so it starts from a high base, but commercial radio stations are also popular in our local areas. Let us not forget, either, community radio. I give credit where it is due—that is a great achievement, one of the few of the previous Labour Government. There are now 220 community radio stations around the country.

Mr Bradshaw: The Minister spoke a moment ago about the document having a strategic approach, but what is strategic about salami-slicing? Why has the BBC not been bolder and decided to close down certain services? Is it because the BBC wants to spare the Minister's blushes in terms of the public impact and outrage that might cause?

Mr Vaizey: If I may be so bold, I think that sparing my blushes is the last thing on the BBC's mind. I also think that the fact that almost 50 Members have turned up to this debate shows that it has hardly spared my blushes. There are controversial cuts elsewhere, but, as I have said, I think that some deep thought has gone into this. We will all have individual views about services that could be reduced or, indeed, cut completely.

Taking into account the reinvestment in programming, the cuts to local radio will be about 10%. *[Interruption.]* I said after reinvestment had been taken into account. The strategic decision is to invest in breakfast, mid-morning and drive, which is when 86% of listening to BBC local radio takes place. There are plans to recruit specialist and chief reporters for every channel.

I commend the blog of Helen Boaden, the head of BBC news, on today's debate. She says that the BBC has no intention of letting its audiences down. That is an

[Mr Vaizey]

important assurance from the head of news for BBC radio. Members may treat that comment with scepticism, but she has put it on the record.

The BBC has assured us that it remains committed to local sports coverage. Interestingly, local sports clubs charge the BBC to supply commentary. There may be some leeway on the fees charged by local sports clubs, but I would not want to see the amount of money going into them significantly reduced.

Damian Collins: I am one of the three Kent MPs who have spoken in this debate. We feel the cuts in Kent and are concerned about Radio Kent. This debate has been about cuts, but should the BBC not also be looking to maximise its commercial revenues through BBC Worldwide and the potential commercial exploitation of older programmes through iPlayer?

Mr Vaizey: I thank my hon. Friend for that contribution. I asked him earlier whether he was sitting behind me because he was acting as my de facto Parliamentary Private Secretary, but he replied that it was because it was the only seat left in the Chamber. He is right that the BBC's commercial income needs to be reinvested in programming. BBC Worldwide is a great success. It ran into trouble in this place because of some of its decisions, but it is run by a supremely effective executive, John Smith. I gather that an additional £40 million from BBC Worldwide will be going into programming.

Esther McVey: I want to make a clear and specific point: let us save the local radio stations and make savings on BBC 3 and BBC 4.

Mr Vaizey: We will all have views on where we can make savings. I was intrigued to see that "Newsnight" alone, which has about 250,000 viewers, has a budget of £8 million.

Mr Iain Wright: That is Jeremy Paxman's salary.

Mr Vaizey: The hon. Gentleman has just ensured that he will get a smooth ride the next time he appears on "Newsnight". There is a consultation and all Members have the chance to put their views to the BBC. As I have said, the director general and chairman will come to Portcullis House.

The hon. Member for Bishop Auckland has asked what I think, which is that we got a good deal for the BBC. It is important to remember—I made this point to the hon. Member for Hayes and Harlington—that the most effective lobby in relation to concern about BBC scope when I was in opposition was made by the Guardian Media Group, which was concerned that it could not monetise its website because of the scope and breadth of the BBC website. Interestingly, *The Guardian* employs roughly the same amount of people as BBC local radio. It is having to make significant job cuts, which it announced in June. Even *The Guardian*, apart from Polly Toynbee, has to live in the real world and make savings. Not a single other media group in the country has certainty of funding until 2017—that certainty is an enormous luxury—apart from S4C. I commend the deal struck only yesterday between the BBC Trust and S4C, under which an enormous amount of money will go into Welsh programming.

Bill Esterson: The Minister has, on occasion, taken a light-hearted approach during his response. A number of Members, including me, have pointed out that a significant number of jobs are at risk. I do not think that people who face losing their jobs regard the issue as light-hearted. Moreover, a number of vulnerable elderly and disabled people rely on BBC local radio. The Minister has not touched on those points yet, so will he address them in the time remaining?

Mr Vaizey: I have made the point that the reductions in BBC local radio are less than in other BBC services. The hon. Gentleman's tone is priggish, which is inappropriate to this debate, but other Opposition Members have suggested closing down services. They have suggested cuts to Radio 4 and to BBC 3, which would result in job losses. There will be job losses in the BBC, as is the case in other media companies.

We have given the BBC certainty of funding until 2017. The Labour party's policy is unclear. Is it to reopen the licence fee settlement? If so, it should state the level to which it wants the licence fee to be raised. If that is its policy, the hon. Member for Bishop Auckland is welcome to state it.

Mr Bradshaw: With due respect to the Minister, his speech could have been written by the management of the BBC. It is not his job to be a cheerleader for the BBC, and that is not the trust's job either. His job is to represent the views of Members in this Westminster Hall debate. We are deeply concerned that the BBC has got it wrong on local radio. If he will not say that publicly today, I hope that he will take that message back and make it very clear, in private, to the BBC management.

Mr Vaizey: I think that my job is to be a candid friend of the BBC. I do not apologise for supporting the BBC and for praising its work. I do not apologise for an organisation that is extremely popular with listeners and viewers. Neither do I apologise for defending the BBC in taking a strategic approach to the licence fee freeze. All Members have views on what the BBC should and should not be doing, and there is extensive consultation. It is certainly not my job to tell the BBC what to do. It would be wrong for a Minister to order the BBC to close down a particular service or to save another one. That is a job for BBC management.

Public Health (Bexley)

11 am

Mr David Evennett (Bexleyheath and Crayford) (Con): I am grateful for the opportunity to raise the important issue of public health and the situation in my borough of Bexley, which is of great concern to many of my constituents and, of course, to me.

Regrettably, there are vast health inequalities in Bexley and south-east London. The difference in life expectancy for two men living in different parts of Bexley could be as much as or more than seven years. The reasons for that situation, both locally and nationally, are complex and are affected not only by access to the NHS or social care services, but by diet, activity, education and employment. Public health is therefore a matter of fairness and social justice.

As well as causing serious long-term health issues, health inequalities have a wider impact. We all know that obesity can lead to problems with diabetes and heart failure, that smoking kills tens of thousands of people every year and that alcoholism can cause liver failure and increase a person's susceptibility to other diseases. Those associated illnesses can cause productivity losses for business, reduce school attendance for children and lead to high treatment costs for the NHS. If those problems are not addressed, we could face greater problems in the future, as my hon. Friend the Minister will appreciate.

I am very worried about the increasing number of people who are being classed as obese. The long-term consequences for those individuals and their families can be catastrophic if they do not take action, because they may subsequently experience problems such as heart disease and diabetes. I am particularly concerned about the number of children who are alleged to be experiencing weight problems. According to the national child measurement programme, one in four reception age children in my borough of Bexley is considered to be obese or overweight. That is an incredible figure and, by the age of 11, it rises to one in three. I am sure that the Minister shares my concern about that problem.

There is also an issue among adults. Nationally, the number of obese people in England has doubled since 1993, and the number of obese women has risen by half. Locally, in Bexley, one in four adults is to be considered obese. With trends suggesting that most children who are considered to be obese will remain so well into their adult lives—particularly if their parents are obese, too—the consequences are of real concern to individuals, as well as to society.

I am pleased that my colleague the hon. Member for Erith and Thamesmead (Teresa Pearce) and my neighbour my hon. Friend the Member for Dartford (Gareth Johnson) are here today. The issue does not stay within borough boundaries, because it goes across our area.

Gareth Johnson (Dartford) (Con): I congratulate my hon. Friend on securing the debate. He cares passionately about health care in the borough of Bexley. He has mentioned that some of my constituents rely on services provided in Bexley and that, vice versa, some of his constituents rely on services in the Kent area. Does he therefore agree that it is essential to ensure that the relevant local authorities are aware of their obligations to each other, so that there can be some certainty about funding and budget setting for the councillors in the respective areas that we represent?

Mr Evennett: I totally agree with my hon. Friend. There is much cross-border health care traffic both from Bexley into Kent and from Kent into Bexley. That is the choice that people have and should have. Such a situation also reflects people's needs, which should be met, so I endorse entirely what my hon. Friend has said.

Obesity is responsible for nearly half of all cases of diabetes, a quarter of heart problems and, in some circumstances, more than a third of cases of some cancers. The National Heart Forum estimates that those problems could get much worse and suggests that the number of people getting diabetes as a result of their weight could double by 2050. Financial considerations and costs must also be taken into account. It has been estimated that obesity directly costs the NHS around £4 billion a year. Of course, that does not take into account the cost of treatments and the care required for associated problems, which could and will be even more. In Bexley alone, diabetes costs the NHS £353 per person per year.

Last week, I attended a reception in the House of Commons for Silver Star, a charity campaigning for greater awareness of diabetes. I was pleased to meet Silver Star and learn about its work. I took one of its simple diabetes tests, and I am pleased to report that my glucose level result was 4.9, so I was deemed to be okay.

All the statistics highlight the challenge that we face and the number of people whom we need to assist. First, we must assess the problem's cause, of which there are many—for example, poor choices, portion sizes, insufficient exercise, inappropriate advertising or a lack of culinary skills can all contribute to an individual's problems. According to the Association of Public Health Observatories, just 30% of Bexley adults eat healthily, and the statistics on physically active adults in Bexley are significantly worse than the national average. Of course, every individual's circumstances are different.

In some respects, we are fortunate in Bexley, as we were one of the first boroughs to achieve national healthy schools status for all our schools. However, I am concerned that a minority of adults who eat badly may be setting a bad example for their children. The figures on physically active children in Bexley are also significantly worse than the national average. That is not helped by the fact that the number of children being driven to school has doubled over the past 20 years, which is a national issue that is not confined to Bexley.

Of course, physical activity alone is not enough to address the problem. We need to think more carefully about what we eat and what we feed our children. England's chief medical officer, Professor Sally Davies, recently said:

> "Most of us are eating or drinking more than we need to and are not active enough. Being overweight or obese is a direct consequence of eating more calories than we need. Increasing physical activity is a part of the equation, but reducing the amount of calories we consume is key."

This is why the Change4Life campaign is important. It provides helpful tips on all the changes that we could make to improve our lifestyles, and it is already directing help to nearly 500,000 people. The campaign's core

[Mr Evennett]

ideas—encouraging physical activity, cutting portion sizes, swapping particular foods, discouraging snacking, drinking less alcohol and reducing fat intake—are all sensible and manageable. I hope that more people will take advantage of those resources and take action themselves. I urge my hon. Friend the Minister and the Government to prioritise that approach.

Another issue of health concern is the problems caused by smoking. Smoking rates have remained broadly the same during the past few years. Tobacco consumption remains the greatest single cause of preventable illness and early death, and it is also a big contributor to health inequalities. I am encouraged that, nationally, more people are using NHS stop smoking services. The number of people who registered a quit date has increased in the past year, with an increase in success rates, too. That shows that people are willing to take action to help themselves, which should be encouraged.

I put on the record my support for the award-winning Bexley stop smoking service, which has been doing some excellent work to help my constituents quit smoking and lead healthier lives. The Bexley stop smoking service is led by Jo Woodvine and helps hundreds of people quit smoking every year by using a variety of different methods. I commend the work that it is doing, because its efforts are having an impact. One in five Bexley residents smoke, which is slightly below the national average. However, I am concerned that 17% of women in Bexley smoke through pregnancy, which, worryingly, is above the average. Smoking during pregnancy increases the risk of complications such as stillbirth, miscarriage, premature birth and low birth weight.

There are also age-related problems with smoking. Tobacco consumption is still most prevalent among the under-50s. Every year, more than 300,000 under-16s try smoking for the first time. By the age of 15, some 15% of children in England are reported as being regular smokers, which is incredibly worrying. I accept that action has been taken on this issue. The minimum age at which one can purchase cigarettes has been increased to 18 and the sale of cigarettes from vending machines has been banned. The Government have introduced a tobacco control plan to help reduce smoking, which takes account of the problems that I have highlighted relating to the prevalence of smoking among adults, children and pregnant women. I agree that steps must be taken to reduce the promotion of tobacco and to improve regulation to ensure that children are not drawn into starting smoking. If more is done to highlight the diseases that can result from smoking, then adults may be persuaded to quit.

The substantial cost to society from smoking is estimated to be more than £13 billion a year, which includes NHS treatment, productivity losses and clear-up costs. However, only £11 billion is raised in taxes from tobacco. The Government are therefore right to consider ways of making smoking less affordable, as a disincentive. Most importantly, the Government need to ensure that NHS stop smoking services continue to be properly supported. The all-party parliamentary group on smoking and health has highlighted how cost-effective those services are, estimating that the Government benefit by as much as £1.7 billion a year through the prevention of serious and costly diseases.

Alcohol dependence is another area of great concern, and it is a major public health issue. Dependent drinkers are the drinkers at greatest risk of admission to hospital for a range of illnesses. There are an estimated 4,000 dependent drinkers in my borough of Bexley, and as many as one in seven people are putting their health at risk by binge drinking. While those figures are not as high as in some other areas of the country, they are symptomatic of the wider problems facing our nation. The latest alcohol statistics for England show that one in four men and one in five women are drinking more than the recommended number of units in an average week. On average, children—yes, children—consume 11.6 units a week.

Excessive drinking also has a significant impact on our health service. For example, since the introduction of the Licensing Act 2003, which allowed 24-hour drinking, the number of hospital admissions due to acute alcohol intoxication has doubled and the number of admissions wholly attributable to alcohol has increased by 70% locally, which is broadly in line with national trends. Between midnight and 5 am, the majority of hospital admissions are alcohol related. I was, and remain, opposed to the liberalisation of the drinking hours in the 2003 Act, which was a grave mistake.

Many long-term problems—alcoholic liver disease, hepatitis and cirrhosis—can be caused by excessive consumption over a long period of time, and they can lead to organ failure. Deaths from alcohol-related liver diseases have doubled in the past 20 years, with the overall cost of alcohol-related harm now standing at £2.7 billion a year. It is therefore vital to address the situation. There are simple steps that individuals can take, such as tracking alcohol intake, ordering smaller quantities or reduced-strength drinks, or swapping their drinks for alcohol-free versions. While retailers and drinks manufacturers promote the Drinkaware campaign, the industry needs to do more.

I am concerned about tuberculosis in London and about the current guidelines on prevention. A report published by London Health Programmes in June stated that, between 1999 and 2009, the number of TB cases in London rose by 50%. London now has the highest TB rate of any capital city in western Europe and accounts for 40% of all cases in the UK. Those trends are worrying. In Bexley, there are currently less than 20 cases of TB per 100,000 of population each year. However, during the same 10-year period, the Department of Health issued new guidelines to primary care trusts that recommended the withdrawal of the universal BCG vaccine. TB is an infectious disease that can affect any part of the body. It is curable, but detection is crucial. Early detection can mean relatively simple and cheap treatment. If left undetected or untreated, as in 12% of cases, the disease can become drug resistant, meaning more complex treatment at a hugely increased cost. The approach to prevention and treatment of TB therefore needs to change.

I am concerned that family travel is not given enough consideration. Many Bexley children are taken on holiday to the Indian subcontinent or to sub-Saharan Africa during school breaks, particularly in summer, and might be exposed to the disease. Consequently, there is a potential risk that, when the family returns to the UK, others might come into contact with the disease.

I appreciate that prolonged exposure is required in order to transmit the disease, but this might happen and I am concerned.

As London Health Programmes has identified, targeting has been inconsistent. High risk groups, such as the homeless and those with lower immune responses caused by other problems such as drug taking or alcoholism, have not been given enough attention. The recommendations made in the draft London TB plan, which aims to improve the early detection of TB and the effectiveness of treatment as well as to reduce the risk of transmission, must be carefully considered. In particular, the Government should seek to implement the proposal that all newborn children should be vaccinated within six weeks of birth to protect them from TB. This welcome suggestion could be an effective measure to prevent cases of the disease. However, it would not address the problem for children in my borough, who have still not received the BCG vaccine because the Department of Health felt that we did not have enough cases per 100,000 of population. I would like to see a limited programme in the next few years for children in London boroughs who have not received the vaccination.

Bexley is a very good place to live and work. I do not want to say that it is all negative, because it is not. There is a huge amount going on in Bexley that is to be commended, and I put that on the record. The vast majority of people in our borough are really good people—moderate, reasonable people—and educating, helping and advising them is the way forward. However, Bexley is not immune to increasing health issues. I hope that the Minister and the Department will support—I know this is not her brief, but I cannot resist the temptation to include this in my remarks—plans for a health and well-being campus to be established at Queen Mary's hospital in Sidcup. If approved, this could begin in 2014 and provide vital services, such as primary and community care, GP services and hospital services, all on one site. As part of the plans, Bird college, a dance, music and theatre performance centre, hopes to be on the site as well, which could provide real benefits for public health. The strategic outline case has been submitted, and I hope that that important project can progress.

I also urge the Minister to consider the role that community pharmacies can play in helping to reduce health inequalities and public health problems. At the heart of the local communities that they serve, they are uniquely placed to offer advice to significant numbers of people. They can sometimes be more accessible than GP services, and they can be found in retail settings.

In conclusion, I congratulate my hon. Friend the Minister on all the tremendous work that she is doing on public health. The Government are right to prioritise public health and to ring-fence finance. I support strongly the transfer of increased responsibilities to local councils on public health issues. Fundamentally, I believe that education and awareness are vital. If public health problems are to be properly addressed, we need to ensure that everyone plays their part—schools, parents, businesses, charities, and local and national government—otherwise we could be storing up huge problems in our country, including Bexley. I am grateful for the opportunity to make these few points today, because it is very important to address public health issues for the future.

11.19 am

The Parliamentary Under-Secretary of State for Health (Anne Milton): It is a pleasure to serve under you this morning, Ms Osborne. I do not believe that we have met in Westminster Hall before.

I congratulate my hon. Friend the Member for Bexleyheath and Crayford (Mr Evennett) on securing the debate. He does not miss an opportunity to raise issues of public health in his constituency. As my hon. Friend and all of us do, I want to see a public health system worthy of its name, set up with the sole purpose of protecting and improving the health of everyone in this country. The public health White Paper outlines how we intend to achieve that, with ring-fenced funding, health and well-being boards and joint strategic needs assessment all playing a big role. Every element is designed with local needs in mind, so communities and local organisations in his constituency will be able to play a bigger role than ever in improving the public's health. On the whole, the residents of Bexley are healthier than the national average, but that does not mean for one second that a great deal of work is not still to be done. People living in the most deprived areas of Bexley can expect to live up to seven years less than those living in the wealthiest areas, which is a staggering figure.

It was a pleasure to be joined by my hon. Friend the Member for Dartford (Gareth Johnson) and the hon. Member for Erith and Thamesmead (Teresa Pearce). My hon. Friend rightly mentioned the importance of cross-authority working. In particular, as we move into the new systems, I stress the need for public health leadership. People in Bexley will need a strong and visionary public health system with expert leadership. I am sure that the council and the local primary care trust are considering carefully how to provide such leadership after April 2013, when the breadth and importance of the local council's responsibilities will increase enormously. Those are big challenges, but they also represent a fantastic opportunity, and Bexley is well placed to capitalise.

My hon. Friend the Member for Bexleyheath and Crayford discussed his grave concern about obesity and gave us some figures, such as that 20% of year 6 children are obese, which is 2% higher than the national average. That is a shame, and the problem is not unique to some areas of the country, because England has among the highest rates of obesity in the developed world. Recent figures show that levels of childhood obesity are stabilising and that adult obesity rates may be levelling out, but the overall rates remain extraordinarily high.

We published a document, which my hon. Friend referred to, "Healthy Lives, Healthy People: A call to action on obesity in England", on 13 October to set out our approach. Through projects such as the healthy child programme, the national child measurement programme and the responsibility deal, we want to give clear and consistent messages on what the healthiest choices are and how people can make them. People need information and to recognise the harm that they do to their health by ignoring such choices. As I have said, local authorities will be at the forefront, and they will have that ring-fenced public health budget to use in ways that suit local people, doing far more good than a uniform approach that descends from on high in Whitehall.

[Anne Milton]

The local NHS is taking steps to fight obesity and to encourage physical activity, in particular in children. The Bexley healthy schools project is working with every single one of Bexley's schools and children's centres, teaching children about the importance of healthy eating and physical activity. The parents' education and children's health project educates parents and carers about healthy and economical cooking. School food policies are also being reviewed with parents, pupils and staff, to ensure that children receive nutritionally balanced packed lunches that they will actually eat—there is no point in putting healthy food in front of children, if they then fail to eat it.

My hon. Friend mentioned Silver Star, and I am pleased that he got a tick for his own health, but he is absolutely right that type 2 diabetes is of considerable concern. I understand that the Bexley community diabetes project has had contact with nearly all diabetic patients in the borough. That project is centred on empowering patients and putting them at the heart of managing their condition while calling on health care professionals, when necessary. It is about personal responsibility, ownership and understanding that if people feel they have some control over their lives they do very much better. He also mentioned physical activity, and I thank him for specific mention of "Change for Life"—one of its successes is that it does not look like a Government-run programme—which has had a big impact. He might be interested to know that the brand will be used for action on alcohol in the new year.

We will be publishing an alcohol strategy in which communities and local government will again play a big part, because they will be able to take action based on what they think will work. Local councils are already involved with some of the social harms of alcohol—certainly anti-social behaviour and crime is of considerable concern—and with licensing. Local schemes and projects have contributed to Bexley having a lower than average rate of alcohol-related harm. For instance, the Bexley business support unit offers counselling, group work and medical help to people with alcohol problems. However, a great deal remains to be done. In April, an outreach service was commissioned to help people in the borough who had not used the services before or who find it difficult to access treatment. Data from the first six months of that service show that it has been successful.

On London as a whole, the Secretary of State for Health has backed a statutory London health improvement board, chaired by the Mayor of London. It is already drawing up plans for priority areas such as alcohol and childhood obesity and looking into promoting the use of existing licensing powers, helping accident and emergency departments share data on violence resulting from alcohol misuse and getting early interventions in place so people who misuse alcohol can get quick and effective advice, which is so important.

Smoking kills 80,000 people a year, and yet a persistent minority, which includes a significant number of people, continues to smoke. Each year, an estimated 320,000 children try smoking for the first time. The tobacco control plan to which my hon. Friend referred outlines our ambition to cut smoking rates in adults down to 18.5%, in 15-year-olds down to 12% and in pregnant women down to 11%. Many of us still feel that those figures are too high. Again, we need to give people information, but people also need support to quit. The plan demonstrates how we aim to achieve that. At the beginning of the month, tobacco sales from vending machines became illegal, which is a big start because such machines were a source of tobacco for children, and large, brightly coloured tobacco displays will soon be joining them in the ashtray of history. Displays will end on 6 April 2012 in large shops and three years later in small shops and other businesses in England.

My hon. Friend referred to Bexley's stop smoking team, which helped 1,611 people give up last year, exceeding its target for the third year running. It has won awards, and he goes to great efforts on its behalf—this is not the first occasion on which he has mentioned it. Many people criticise local services, but it is right to acknowledge the tremendous job that they are doing. I hope that the Bexley team can spread that good practice around the areas in the vicinity. Anyone living or working in Bexley can access the service for free via a GP or participating pharmacy and, if that is not convenient, the team regularly provides services in more convenient locations such as libraries, children's centres or a special bus outside a local supermarket.

My hon. Friend mentioned TB, and he rightly stated the specific problems for London. We always keep the evidence under review, and we are guided at all times by the Joint Committee on Vaccination and Immunisation. He is right that the issue is complex, but there is no doubt that London has more than its fair share of the problem. As I have said, strong public health leadership in such fields will be extremely important. I assure my hon. Friend and the other two hon. Members present in the Chamber today that the Department of Health and the London strategic health authority support the Mayor of London's health inequalities strategy. Inequalities simply have no place in modern society, and everything that we can do to lessen them is worth pursuing. I want to see local councils arguing across the council chamber about how it is no longer fair for their residents to live less long that those of another council in the same area.

I thank my hon. Friend for giving me the opportunity to raise yet again the need for the public to improve their health. It matters to stop illness, disability and premature death, but it also matters as we live longer, because staying well as we live longer is becoming increasingly important to us all.

11.29 am

Sitting suspended.

Internet (Governance)

[MR JOE BENTON *in the Chair*]

2.30 pm

Alun Michael (Cardiff South and Penarth) (Lab/Co-op): It is a pleasure to debate under your stern but friendly eye, Mr Benton.

I intend to explain why the debate is important, provide my own report back on the Internet Governance Forum in Nairobi, look at the wider questions of how Parliament deals with internet and communications technology issues and suggest how Parliament and Government can push those issues up our national agenda. I am pleased that other officers of the Parliamentary Internet, Communications and Technology Forum will be taking part in the debate, as we asked jointly across parties to have this debate today.

The debate is important as a milestone in the development of parliamentary interests in the internet and in the development of proper accountability for British MPs' engagement with the issue over a number of years. It is an attempt to bring the issue of communications technology into the parliamentary mainstream. The internet now pervades so much of our national and personal life—there is an enormous impact, even on those who do not use it—that it is essential for Parliament and Government to take a strategic interest in its development, which has been exponential in nature. The internet affects everything from national security to personal and family communications. As we saw during the summer, it has been grasped as an opportunity by those who want to nurture community action as well as by bad people and by organised criminals and terrorists.

Business challenges and opportunities range from the protection of intellectual property to savings and opportunities for the public service, and we need to ensure that our infrastructure and businesses are at the cutting edge of the fast-moving international communications market in hardware, software and services. Both the internet itself and wider issues of communications technology—ICT—are absolutely crucial to our economic success, our place in the world and our social development as a nation.

There have been valiant efforts to give a parliamentary focus to these issues, but it has mostly been done at the margins of Parliament, not at its heart and not through mainstream debate. I hope that today's debate will establish a tradition for an annual debate on internet and ICT issues, with Ministers and Members across the parties taking stock of the developments of the past year and looking forward to future challenges.

The engagement of MPs has not been characterised by Members pursuing their own interests in isolation but through cross-party activity, co-operation between both Houses and the active engagement of Ministers. Above all, it has been done through a unique level of multi-stakeholder engagement. That is an ugly term, but no one has yet come up with a better one. The reality of partnership working and co-operation is far more beautiful than the terminology.

Today we can report formally on the annual United Nations event, the Internet Governance Forum, held this year in Nairobi. I am delighted that the Minister who will respond to the debate attended both the main forum itself and the high-level event held on the Monday before its formal opening. He was extremely effective in his interventions. I believe I speak on behalf of my hon. Friend the Member for Falkirk (Eric Joyce), who was also at the IGF, when I say that, with the Minister, we were able to deliver a robust "Team UK" approach in Nairobi.

Mike Weatherley (Hove) (Con): I congratulate the right hon. Gentleman on securing the debate. Although I was not at the Nairobi event, I was at the event in Lithuania. It struck me that very few parliamentarians were present, but there were people from the Pirate party. Does the right hon. Gentleman agree that it is crucial that MPs from other countries attend such events to stop the spread of lawlessness through the likes of the Pirate party?

Alun Michael: The hon. Gentleman makes a good point. He brought considerable interest, particularly in intellectual property, and creativeness to the discussions in Lithuania. There were more mainstream parliamentarians in Nairobi this year, but he is right: if we are not engaged, we leave a vacuum, which would be a great pity.

Andrew Miller (Ellesmere Port and Neston) (Lab): I apologise to you, Mr Benton, and to the House for having to leave for another speaking engagement on behalf of the Science and Technology Committee. I was very impressed—unusually—that the Minister took the trouble to attend the forum this year. That is a fantastic step in the right direction. If we can create the necessary collegiate approach in this difficult area, we can address the problems that have just been raised. I want to say well done to my right hon. Friend for his perseverance both in government and in opposition in driving the agenda forward.

Alun Michael: I thank my hon. Friend for his comments. He is right about the importance of the Minister's attendance this year. It made a significant impact on many people from other countries and showed an excellent example.

Engagement with the IGF has been nurtured by Nominet, the dot-UK domain name registry, which has enabled IGF attendance by parliamentarians; young people from the UK, who have also made a considerable impact; and other representatives of civil society. I pay tribute to the chief executive, Lesley Cowley, and Martin Boyle, a former Department of Trade and Industry official when I was a Minister, and their team at Nominet. Their financial commitment and organisational support is a superb example of corporate social responsibility and of partnership between industry, Parliament and Government. It has enabled us to put the UK in the forefront of internet governance worldwide. I have put the appropriate declaration in the Register of Members' Financial Interests in respect of their support and my attendance at the IGF.

Mr Jim Cunningham (Coventry South) (Lab): I hope that my right hon. Friend will mention an internet issue that my constituents are concerned about: the use of abusive language on the one hand and child pornography on the other. One of my constituents, Mrs Jane Osmond

[Mr Jim Cunningham]

of 7 Newcombe Road, has written to me about that. She is part of a major campaign, which relates to the subject of the debate.

Alun Michael: My hon. Friend makes a good point; it is an important issue. Today in Westminster we are celebrating the 15th anniversary of the founding of the Internet Watch Foundation. I hope to attend that event after this debate; I hope others will attend, too. The IWF is proof of the capacity of Government, with the support of parliamentarians and the engagement of industry and police, to tackle online child abuse more effectively than having additional legislation that might not work. We have achieved more in tackling online child abuse in this country than could have been done through additional legislation.

Mr Cunningham: My right hon. Friend's aims are laudable and I have no quarrel with them. However, my constituents feel that they have been given the run-around. I have written to the Minister about these issues and we have been pointed in a number of directions, but there does not seem to be a major clampdown or any real effort in the area.

Alun Michael: In terms of child abuse images online, the Child Exploitation and Online Protection Centre has been successful in pursuing people who are involved in child abuse. In educational terms and in pursuing the bad people, CEOP has been effective. I am a member of the Home Affairs Committee and we are concerned about CEOP being merged with the national police agency. Assurances have been given, but we need to keep our eye on CEOP to ensure that it continues to be effective. We also need to keep up with the technology that the bad people are using.

Mr Brian H. Donohoe (Central Ayrshire) (Lab): I congratulate my right hon. Friend on securing the debate. In relation to the comments made by my hon. Friend the Member for Coventry South (Mr Cunningham), my concern is that when constituents write to me on the same issue, I write to the Minister but the letters are then transferred to the Home Office. Would it not be more sensible for questions such as those from my constituent from Troon, to be answered by the Department for Culture, Media and Sport? If the issues are not to be addressed by that Department, is it better for them to be looked at by the Home Office?

Alun Michael: My hon. Friend illustrates one of the big problems in dealing with the internet. As I said, the internet is so pervasive that it affects every area of life, including technology and intellectual property, and sometimes leads to the abuse by bad people of the opportunities that it provides. Such issues should be dealt with by the Home Office because law-breaking is involved.

My hon. Friend also illustrates the crucial need for a joined-up approach across Departments and agencies. A couple of years ago I worked on internet-related crime, but I gave up once I had identified nine Departments that had a bit of the action—without even taking account of the different agencies, police bodies and so on that were involved. I believe, however, that co-ordination has improved; we have the central unit based with the Met, and the National Fraud Authority that looks at online fraud. People need greater clarity. Get Safe Online is an enormously important resource that I advise people to consult first when looking for advice on what to do. It requires, however, increased support across industry and by the Government, and it must explain clearly who should look where and for what. My hon. Friend makes a powerful point.

I return to the Internet Governance Forum. As the Minister responsible for industry in 2005, I led the UK delegation to the world summit on the information society in Tunis. Journalists predicted that the talks would collapse because the Chinese, and others, were demanding a new international agency to, "run the internet", and the US was saying, "Don't change anything." Two great public servants, Nick Thorne, then the UK permanent representative to the UN in Geneva, and David Hendon, a senior official at the Department of Trade and Industry, promoted "dynamic coalitions" and "enhanced co-operation" as a better option to bureaucracy. The IGF was born as part of that process and as an annual event for building consensus.

Today, the IGF process no longer depends on one annual event, and countries worldwide have seized the opportunity for co-operation, both between stakeholders and at regional level. This year's IGF saw governmental proposals from India, Brazil and South Africa to bring the forum under centralised UN control, and Russia, China, Tajikistan and Uzbekistan called for the General Assembly to establish a UN code of conduct for information security. If such a code were to go through as proposed, it would focus primarily on affirming the sovereignty of national Governments to regulate internet traffic and content. That would exclude the voices of industry and civil society from regulation of the internet, which in turn would stifle the freedom, innovation and creativity that underpins the social, cultural and economic benefits that we all currently enjoy from the online world. There is also a Trojan horse agenda that would empower certain repressive Governments to censor and restrict any online content, discourse or behaviours that they did not like.

Will the Minister affirm his steadfast commitment to the current multi-stakeholder approach exemplified by the current IGF process, and will he join me in rejecting the idea that governance of the internet should be the sole preserve of monolithic and rigid Government negotiations? Will he ensure that the UK continues to provide leadership through the donors group? It is small change, but we must be at the table. Although this year's IGF saw a welcome spike in levels of industry involvement, does the Minister agree that there is always room for more?

For years the IGF process was nurtured by two superb international diplomats, Nitin Desai as chairman, and Marcus Kummer as secretary. In Nairobi, however, I had to condemn the failure of the UN to appoint successors in either of those posts. That the event was such a success is a tribute to the vitality of its participants, but the UN is not doing its job properly; when I said as much during a high-level ministerial meeting, my comment received the loudest applause of the day.

British parliamentarians have been at the forefront of the IGF since its start, and our engagement is highly valued and respected across the world. Over the years

we have worked with parliamentarians from other countries, notably the Kenyans and members of the European Parliament such as Catherine Trautmann and Malcolm Harbour. It is interesting to note, however, that we have not yet managed to properly link the IGF debate across Europe. We have the European dialogue on internet governance— EuroDIG—but that is serviced by the Council of Europe and has a focus on human rights and criminal law, which although an enormously important part of the international debate, is not all of it.

That work of the IGF goes wider than the European Union, which is its strength, but it also leaves a gap. In Nairobi we talked to colleagues from the European Parliament about the need for MPs and members of national Parliaments to be connected within the European Union. We do not have a European IGF that uses the same model as that developed in east Africa and other places.

The European Commissioner, Neelie Kroes, set out her approach, but without joined-up action by parliamentarians, industry and Governments in Europe, we will not get our point across. I suspect that hon. Members across the Chamber would agree on the need to avoid the domination of bureaucracy and rules in the European approach to the internet and internet-related issues. We need joined-up working by Team UK.

This year at the IGF, Monday was set aside for a high-level, ministerial event. Such occasions can become stodgy, with long speeches from Ministers, but this one was different. After Ministers—including our Minister—had spoken, formalities segued smoothly into a discussion, with authoritative figures such as Vint Cerf responding on some of the extremely important points under discussion. It was an excellent launch for the four days of the IGF, but I made a proposal that I believe should be incorporated in next year's event. My suggestion is for Tuesday morning to be given over to statements of concern or other relevant issues, so that Members of Parliament can set out problems that have arisen in their Parliament or constituency. That would enable parliamentarians to be the voice of the people, rather than a second rank of techies, and would provide an opportunity for multi-stakeholder partners to respond to those concerns during the following few days, in parallel with other issues raised in advance. That suggestion received a positive response from industry representatives, who described it as an opportunity to complete the circle of policy development and accountability to the public.

The basic principle of the IGF is to bring together the four partners—Governments, parliamentarians, industry and civil society, including academics and others—to identify issues that need resolving, and seek solutions without requiring or mandating them, or limiting the debates in any significant way. It does not, therefore, lead to resolutions or treaties. The principle has been taken up by individual countries and on a regional level, particularly in east Africa, so it was appropriate that this year's IGF was hosted there. As a result, the IGF is now a process rather than just an event, although the event remains important.

Great progress is being made in the Commonwealth IGF with its emphasis on child protection—the issue raised by my hon. Friends the Members for Coventry South (Mr Cunningham) and for Central Ayrshire (Mr Donohoe)—and access.

Mr Jim Cunningham: The issue is not only about child protection; abusive language or threats of rape are also matters of concern.

Alun Michael: My hon. Friend is right; I agree that the agenda is broader. The Commonwealth IGF started by looking at child protection, but behaviour is the big issue.

The development of a co-operative model for internet governance has developed quickly and positively. However, compared with the exponential growth and the mind-boggling levels of innovation that the internet has unleashed, that development looks, and feels, slow. That is why we in Parliament must be more ambitious, more impatient and better connected in every sense of the word.

To improve the quality of debate in Parliament, those involved informally in the work of relevant all-party groups have tried to bring everyone together to serve Parliament better. It is fair to say that for several years the cross-party architecture that focuses on internet and communications issues has been in a state of flux, with a proliferation of groups. Companies found it increasingly difficult to determine which meetings to attend and which groups to engage with. Equally, many MPs found the complexity and diversity of cross-party structures very challenging to digest. In fact, in the last two Parliaments, most MPs chose as the simple solution non-engagement, rather than struggling to get their heads round an ever-expanding ecosystem of interwoven groups and associations. I pay tribute to the 2010 intake of new Members, who have provided refreshing input from both sides of the House. That encourages me to believe that we can make a difference nationally and internationally in the future.

The online world and the associated technologies and patterns of use are constantly evolving at breathtaking speed. Without a cohesive and continuous commitment from parliamentarians to be connected with and informed about current developments in this sphere, Parliament will quickly fall hopelessly behind.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I congratulate my right hon. Friend on securing the debate and I share his hope that Parliament will debate the internet at least once a year. On the point about the internet's fantastic speed of innovation and the changes that it has made to our everyday lives, does my right hon. Friend agree that it was unfortunate that following the unrest—the riots—during the summer, a number of parliamentarians on both sides of the House were seen to react by condemning aspects of social media that enable people to communicate with one another, while not equally recognising the tremendous support that the internet and social media give civil society? Does my right hon. Friend further agree that we need to ensure that parliamentarians are champions of the internet and the innovation that it brings, while obviously recognising the dangers?

Alun Michael: My hon. Friend, who is one of the exciting group of 2010 new Members to which I referred, makes an excellent point. In the Internet Governance Forum, it was rather worrying to find that a large number of participants from across the world "knew" that the UK had tried to close down social networks. We had quite a battle to make it clear that the UK had not done that. Fortunately, the European Commissioner,

[Alun Michael]

Neelie Kroes, took the opportunity to dive in and endorse what we were saying. Given the pressure from the media to do something about something as cataclysmic as the riots this year, it was understandable that all Members of Parliament representing relevant constituencies felt under pressure to say something and, indeed, that the Prime Minister felt under pressure to say something when he arrived back in the country. Fortunately, common sense prevailed.

Immediately after the Home Secretary said that she intended to call together representatives of the social networks and give them a good talking-to—I paraphrase slightly—I wrote to her on behalf of the group, having spoken to some of the officers, and offered our help. I said, "There are Members of Parliament who take an interest in these issues. Can we help and can we engage our industry members in order to make a constructive contribution?" That was welcomed by the Home Secretary—we had a very good response—so it is another example of how the creation of a coherent, single group in Parliament has the capacity to help Government and properly inform public debate.

That is an example of exactly the point that I was making—the need for parliamentarians to be coherent and to work together on these issues. I said that without a commitment from parliamentarians to be connected with and informed about current developments in this sphere, Parliament would quickly fall hopelessly behind. That would be a great disappointment to those of us who know that knee-jerk legislation is not the answer to most or indeed any of our emerging technological challenges. As Gibbon said in "The History of the Decline and Fall of the Roman Empire", laws rarely prevent that which they forbid. That is even more true about the internet than it was some 150 years ago, when those words were written. Legislation is a blunt, unwieldy and ultimately retrospective tool, incapable of the speed and flexibility required to regulate such a rapidly evolving system. That is why we, as parliamentarians, need to be quicker on our feet, more joined-up and more immediate in our response to events.

However, reluctance to legislate does not mean that we should not seek to regulate online activity. The point is simply that we will not achieve the results we want by enacting laws that would be out of date by the time they hit the statute book. The time scale for a new technology coming in or a development that moves people on from Facebook, or whatever the current means of communication is, means that legislation will be well out of date by the time it is enacted, so flexibility is required.

Mike Weatherley: I thank the right hon. Gentleman for giving way to me again. Would he like to clarify his position? We all accept that things such as the IGF are a good talking-shop and that these issues should be discussed at length by the various countries and parties involved, but is he saying that no legislation is worth having, not even legislation to set out the principles relating to intellectual property rights and so on, which would not be out of date once it was enacted?

Alun Michael: The hon. Gentleman is absolutely right. I want legislation that is based on values, sets out broad principles and is technology-neutral. It is the behaviour that is bad, and it is intellectual property that we need to protect, rather than getting too deeply into detail. We need to go back to the legislation that set down broad principles and to go back on the excessively prescriptive and detailed legislation that removes flexibility. Essentially, I am arguing for us to concentrate on fostering a climate in which Parliament, Government, industry and civil society share perspectives, best practice and expertise to deliver a more adaptable and responsive regulatory approach, based on partnership and co-ordination, rather than top-down legislation. In other words, we need underpinning legislation for a coherent, co-operative style of governance.

Chi Onwurah: I thank my right hon. Friend for giving way to me a second time. May I respond to the very good point made by the hon. Member for Hove (Mike Weatherley)? Is it not also the case that there is a lot of existing legislation that applies as much to the internet as to any other form of communication and behaviour, whether it takes place in the real world or the virtual world—for example, libel laws—and that new legislation is often not necessary if the existing legislation is properly applied?

Alun Michael: Indeed. This is about good legislation, rather than the internet. I take great pride in certain legislation with which I was associated, such as the Ragwort Control Act 2003, the Gangmasters (Licensing) Act 2004 and the Crime and Disorder Act 1998, because properly framed legislation will stand the test of time. In the examples that I have given, it was a case of using capacity that already existed and simply providing underpinning legislation that would allow the real mischief to be tackled. The real mischief is the behaviour, rather than the technology.

On the issue of parliamentary representation and how we bring people together, Mr Speaker kindly hosted an event last year for representatives of different parliamentary groups engaged with internet-related issues, along with those concerned with international issues, particularly the Inter-Parliamentary Union and the Commonwealth Parliamentary Association, and those who serve the House through PICT—Parliamentary Information and Communications Technology—and the Parliamentary Office of Science and Technology. That gave us the impetus to link the informal work undertaken by parliamentarians in partnership with industry to the mainstream and formal work of the House, so we have merged the long-standing Parliamentary Information Technology Committee, or PITCOM, and a relative youngster, the all-party group on the digital economy, to form the Parliamentary Internet, Communications and Technology Forum, which is an associate parliamentary group.

I pay tribute to my hon. Friend the Member for Falkirk for the work that he has done to ensure that Parliament has a well-informed and vibrant all-party group that benefits from the solid and senior engagement of both MPs and representatives of business and industry. We are delighted that Mr Speaker has agreed to be the president of the new group to signal the importance of that development. We are adopting a new and innovative model, with parliamentarians in the lead. Individual officers of the new group, across parties, some of whom are present, are taking responsibility for different parts

of the work, which will include ordinary meetings, as held in the past by PITCOM. Lively discussions have been brought into the new group by members of the former group. We have continued the successful primary schools competition, "Make IT Happy", with which many parliamentarians have become increasingly engaged and which was endorsed by the Minister in the House only last week.

We have a CEO forum, at which a strong representation of chief executives—no representatives or delegations are allowed—and of parliamentarians debate big issues with experts. For instance, on Monday, we were joined by the Secretary of State for Business, Innovation and Skills and by Professor Ian Hargreaves, whose work will be familiar to the Minister and whose recent report deals with intellectual property, which is important to our economy. Past discussions focused on a range of important issues, from cloud computing and cyber-security to the growth agenda and the boosting of UK technology skills; I know that the Minister has taken part in one of the discussions.

Mr Donohoe: While this question is not necessarily for my right hon. Friend to answer, has he secured, as a right, attendance by a Minister at least twice a year to that body? Would that not make all the difference?

Alun Michael: We have not needed to. We have had three Ministers this year by mutual agreement, and I am pleased by that response. Ministers have been prepared to come to meet us and industry representatives. The fact that Ministers and parliamentarians are at the table brings chief executives there, and the fact that chief executives come complements the other meetings that we have, in which people with more technical or detailed knowledge are able to take part. My hon. Friend the Member for Central Ayrshire prompts me to note that I had missed out a reference to the British-American Parliamentary Group, another of the distinguished band of organisations that are important in the work.

I have already referred to the fact that the arrangements are already working in relation to our communications with the Home Secretary. In response to the request for comment, we have received responses from a number of parliamentarians, including my hon. Friend the Member for Newcastle upon Tyne Central (Chi Onwurah), the hon. Members for Cambridge (Dr Huppert) and for Harlow (Robert Halfon), and others who were more frequently involved in the all-party group's work. Key points were made that the riots were not a breakdown of society as a whole, but isolated incidents of unrest followed relentlessly by the 24-hour media, and that the internet and online social networks were a channel for a widespread outpouring of positivity and reconstructive effort after the riots. That must be considered in balance with the use of the internet by some people to organise some of the activity. In the case of the police in Manchester, when people tweeted to say where the next activity was going to take place, the police tweeted back to say, "Thanks for telling us. We will be there too." Therefore, it is not all one way.

Part of PICTFOR's role is to raise our game at the international level, persuading more parliamentarians to engage with the IGF, the Commonwealth Parliamentary Association, the IPU, and directly with members of overseas Parliaments, particularly the Americans, whom we are engaging through an annual internet event in Congress. The most important aspects are to use the partnership between MPs and industry representatives to inform Parliament in the mainstream rather than at the periphery, to ensure that we continue to punch above our weight in protecting the concept of an open, co-operative and multi-stakeholder approach to internet governance, and to fight off attempts to impose a centralised and bureaucratic approach to managing the internet, whether in terms of critical infrastructure, online behaviour or the exploitation—in a positive sense—of the internet's potential.

We are bringing together opinions from industry and Parliament. I wish I had some time to enumerate the comments that have come in. We had hoped for a longer debate, but we are grateful for the opportunity today to raise these issues. We intend to summarise all the issues and provide them to both the Minister and MPs to inform future debates.

Just to pick up one point made by my hon. Friend the Member for Newcastle upon Tyne Central, there will be one debate a year to look at the overarching issues with the internet. The internet touches on so many issues that there are bound to be debates on Bills and on the Adjournment regarding specific issues, including those that have been raised by some hon. Members in their interventions on me.

My message to parliamentarians and to business is that, although good governance may sound boring, it is essential. Banking governance was boring, until the failure of governance in the world's banks brought the international financial structures to collapse. Let us avoid such a debacle online by fighting for good co-operative governance of the internet now.

At a time of massive constraints on the public purse—I will not go into the discussion about whether they need to come so fast or cut so deep—it is not just tempting to use the efficiency of the net to deliver public services, but right and essential. However, that would involve a massive improvement in the quality of public procurement, of which I had some experience as a Minister. It is vital to recognise that some 40% of those who are not online at the moment were shown in recent research to be so resistant to going online that they would not do so even if they were provided with free broadband and a free computer. Some may be resistant or even perversely reluctant; others may simply be unable to cope. That latter group includes some of the most vulnerable people in our society. It follows that the exploitation of online delivery options by the Government needs to be costed in a way that ensures the availability of services to those who do not go online, which might involve paying for facilitation, perhaps at local libraries or in post offices. However, if it is not built into the Government's model, it will bring online delivery into disrepute and widen the digital divide into a chasm, ultimately creating a problem that will involve even more expense to solve than building in the solution at the design stage.

Cloud computing is often highlighted as a challenge to public services, but in many ways, it is already with us. The challenge, in my view, is good management, including good data management, rather than major issues of principle. Security of infrastructure and our national security are enormously important, and they are given considerable emphasis by the Government. However, it is also important to deal with the low-level

[Alun Michael]

crime and nuisance activity that face people every day. I am pleading for a broken windows approach to the internet. Having succeeded in local crime reduction, that approach would be able to help us in the online world.

I am also a little concerned about the language that is creeping into the discussion. I challenged some police officers who talked about "cyber" as if it were a term of art to describe a discrete chunk of reality. They responded by saying that the police were merely reflecting the language of Ministers. If that is the case—I am not sure that it is—we need to change the language. Internet-related crime is not entirely about technology; indeed it is mainly about human behaviour and criminal activity. The use of the internet is relevant only in the same way that a burglar uses a motorway or footpath to reach someone's house to break in.

Chi Onwurah: Regarding the police's attitude to cyber-crime, does my right hon. Friend agree that all serving police officers should be knowledgeable of the way in which the internet can be used for crime? Does he also agree that to criticise those serving in the back offices of the police and to imply that we can tackle crime by being only on the physical front line does the police no service and may reduce the possibility of tackling virtual crime?

Alun Michael: My hon. Friend is absolutely right. That is part of the discussion that we have been having in the Select Committee on Home Affairs on what constitutes the front line and the back office. Protection against the use of the internet for organised crime, as well as some of the issues that have already been raised, is extremely important.

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): A friend of mine has recently become a special constable. When people are recruited to become special constables, it is very much about being on the front line, patrolling the streets. However, in the cyber-age, we should perhaps also invite people to become special constables to work on issues such as cyber-crime and on using the internet as a tool for policing.

Alun Michael: The Minister's comments reflect something I said a while ago in the presence of some people from the Metropolitan police. They included Charlie McMurdie, who said afterwards, "Yes, it's a good idea—we're already doing it." The Minister is absolutely on the ball, and some police forces are very much up to date, but others are not enabling staff on the front desk to tell people what they need to do when they wander into the police station and say, "This has happened. What should I do?" We therefore need to improve communication and to make better, more focused use of Get Safe Online, as I said.

The more we use language that emphasises the human damage, rather than the technology, the more likely we are properly to inform public policy and to reassure the public. That is why I am a bit dubious of using the word "cyber" as if it identified something different and discrete from human behaviour.

Stephen McPartland (Stevenage) (Con): Does the right hon. Gentleman agree that most cyber-crime, so to speak, is conducted by sophisticated organised criminals, who, in effect, have their own cyber-crime divisions? The only way we will tackle cyber-crime is by getting the message out there that we have to tackle these massive organised gangs.

Alun Michael: The hon. Gentleman is right. Actually, the police are getting on top of tackling criminal activity by organised gangs, and it is perhaps right that they do not talk too much about how they do that, because it is not far distant from the work they do in combating terrorist activity. What does affect public confidence are the low-level things, and we probably need more engagement with Get Safe Online and more public information in that respect.

I was about to apologise for taking rather longer than I had intended, but I have taken quite a large number of interventions. Given the need to focus on internet governance and the report from Nairobi, I have had time to touch only briefly on some enormously important issues. However, I hope this is only the first such debate, and I look forward to hearing from other Back Benchers and the Minister.

Several hon. Members *rose—*

Mr Joe Benton (in the Chair): Order. Before I call the next speaker, I should tell Members that I propose to commence the winding-up speeches no later than 3.40 pm. I hope that contributors to the debate will keep that in mind.

3.12 pm

Stephen McPartland (Stevenage) (Con): I congratulate the right hon. Member for Cardiff South and Penarth (Alun Michael) on securing the debate, on the great work he continues to do on this issue and on his role in helping to establish the Internet Governance Forum. I fully appreciate that he kindly took a large number of interventions, so I shall skip through my remarks at speed to let other Members participate in the debate.

The forum tries to answer the impossible question of how we regulate the internet, which is a global information resource used by more than 1 billion people. The Minister showed great leadership in attending the sixth conference in Nairobi, because he has allowed Members to become collegiate and to work almost on a cross-party basis in trying to tackle the issues before us.

The forum has done great work in establishing transparency and an acceptance that the internet is too important, and evolves too quickly, to be left to the traditional models of regulation and to international treaties. It focuses on developing an understanding of emerging challenges, pulling together a vast array of stakeholders to tackle them.

Underpinning the work of every group and every one of the 125 nations involved in the forum's sixth meeting in Kenya was the desire to build safety into internet access, whether to protect vulnerable children from exploitation or nation states from cyber-attack. The challenges we face on the internet are so wide-ranging that they encompass everything from cyber-bullying—the UK Council for Child Internet Safety does excellent work on that—right the way up to the possibility of cyber-attacks on critical infrastructure by terrorists or rogue nation states.

Today, I want to focus on the mobile internet, which has probably been the fastest growing technology in history and has changed how we as a society interact with the internet. First, however, I want briefly to say something about the riots, because there was some talk about them earlier. Everybody has talked about social platforms and social networks, but they are not what causes the fear. As the right hon. Gentleman mentioned, Manchester police were probably grateful for the tweets telling them where the next riotous behaviour would take place. What people are concerned about, however, is BlackBerry Messenger and the fact that the information on it is encrypted. That is the type of area where we need to think about regulation. How do we regulate an organisation whose information is encrypted on servers that are not based in this country? That is the issue we need to tackle, and I would be interested to hear any comments the Minister has.

To return to the mobile internet, the UK now has 1.3 mobile devices for every man, woman and child. A real explosion in data traffic is under way. Ofcom's analysis shows that data usage increased by 3,700% between 2007 and 2010, and independent analysts estimate that network traffic over mobile networks will increase sixfold by 2014. Internet-based traffic globally will grow by more than 2 billion usages, 85% of which will involve a mobile device.

The new smart phones have led the way in enabling customers to access new digital applications and services. More than 50% of all teenagers now have smart phones and use them to surf the internet, send e-mails and use social networking sites. I am slightly older than a teenager—in fact, I am almost twice as old—but I pop my laptop on only once a week, and I use my smart phone to do my internet banking, to deal with my e-mails and to do everything else. A huge number of teenagers no longer have laptops; instead, they have smart phones, iPads, tablets and other such devices. We are therefore moving away from needing to regulate what we might think of as the wired internet and towards needing to regulate the mobile internet, and there was some discussion at the IGF about whether we needed different regulations for the wired internet and the mobile internet.

High-performance mobile capability has the potential to allow services and speeds significantly to increase, compared with what we know today. For example, there has been huge debate about providing access to broadband coverage in rural areas, and mobile internet gives us the opportunity to do that.

Other benefits of the increasing use of mobile broadband applications include increasing access to, and lowering the cost of, health care by using solutions that remotely monitor patients and provide real-time data to clinicians. Online health e-systems, which all the mobile phone operators are developing, touch on an issue raised by the right hon. Gentleman: which Department is responsible for regulating such things? Is it the Department of Health or the Home Office? Furthermore, how do we regulate something that pervades and touches every aspect of our lives?

Mobile-enabled machine-to-machine technologies are supporting the roll-out of smart energy grids via smart meters in premises. Analysts suggest that this segment of the UK economy will grow by 30% per annum over the next five years. Is it the responsibility of the Department of Energy and Climate Change or another Department to regulate such things?

Another benefit of the increasing use of mobile broadband is the ability to mobilise and empower citizens through e-government, e-learning and e-volunteering. Getting involved in that way encapsulates what is meant by the big society.

Mobile broadband is crucial in supporting universal access to broadband across the UK and to delivering digital inclusion. It will be the technology of choice for many because of its convenience and the wide geographical access it allows. It will deliver broadband access to many rural areas that have never had mobile or fixed broadband.

However, Ofcom must structure next year's auction of 4G mobile broadband spectrum so that it rebalances competition in holdings of spectrum ownership and supports competition in coverage. Spectrum policy is vital to maintaining competition in the delivery of mobile broadband coverage. At issue is the allocation of wireless spectrum, the lifeblood of mobile and wireless networks.

The potential for a severe spectrum crunch looms over the next decade, and even international regulators have started to point out that substantial amounts of new spectrum will be needed to drive the continued growth of the mobile wireless industry. Will the Minister consider reviewing the process for allocating spectrum so that we can give it to those who can use it to generate economic growth?

3.19 pm

Eric Joyce (Falkirk) (Lab): I congratulate my right hon. Friend the Member for Cardiff South and Penarth (Alun Michael) on obtaining the debate, and on his leadership of the new group, the Parliamentary Internet Communications and Technology Forum, of which the hon. Member for Stevenage (Stephen McPartland) is also a member. PICTFOR is making good strides towards getting people from different places around the table for a series of debates, to which the internet is central.

I shall be as swift as I can, Mr Benton, so that another hon. Member can speak. I want to reflect quickly on the Internet Governance Forum in Nairobi, which the Minister attended. Several other colleagues were there too, and I should make the same declaration as my right hon. Friend the Member for Cardiff South and Penarth with respect to the Register of Members' Financial Interests and Nominet sponsorship. It seemed to me that there were interesting thematic divides at the forum that reflected discussions and debates that we have—or often do not have—here. It is clear, as has already been alluded to, that some Governments see the internet primarily as a threat, whereas others see it as a benefit, but with substantial caveats. The rest of us—although we are not perfect in any respect—tend to see the internet as best advanced through collaboration, common sense and a multi-stakeholder approach. Although the divide is not unbridgeable, in some respects it creates very different perspectives. A society that is not open at the best of times will have some difficulty with the way it manages the internet. That is not to be critical of emerging countries, which have their own challenges,

[Eric Joyce]

but we hope we can help them to come to a benign or constructive impression of how the power of the internet can be harnessed to everyone's benefit.

In this place we tend to discuss technicalities. My right hon. Friend the Member for Cardiff South and Penarth mentioned the Digital Economy Act 2010 and relatively few hon. Members engaged with that, although more would do so now, since last year's intake. The reason relatively few engaged with the issue was largely that not a great deal of party politics was involved. It is a bit annoying that the Government insist on being commonsensical on most of the issues; we would rather it were different, as it would make our job as party politicians a lot easier, but it behoves us all to look at the intelligent arguments for pursuing one or another course of action. Of course, there are conflicting ideas about how to approach matters such as copyright, which was mentioned earlier, and freedom of use. I shall not bang on at length, but the Hargreaves report on intellectual property rights seems to me to be an intelligent step forward. It is super that the Government have accepted all 10 of Professor Ian Hargreaves's recommendations. We must be aware that in the coming years it will be a constant—battle is probably too strong a term—contest, perhaps, to ensure that the multi-stakeholder approach that we are calling for endures, and we do not end up with an over-regulated internet. As with anything else, over-regulation would damage it and it would fall apart. That was one of the significant themes I identified.

A couple of my colleagues made interventions earlier in the debate, which were perfectly understandable and intelligent, and the kind of things that our constituents raise with us all the time, about bad things that might happen on the internet. An academic called Dr Vicki Nash, who was also at the IGF, said on the UK IGF Network:

> "We spend a great deal of time balancing risks, identifying potential harms or assessing trade-offs in key values which does little to convince those who are ambivalent about getting online. Isn't it time we redressed the balance?"

Through no fault of ours—well, who knows; perhaps it is our fault to some degree—there is an awareness in society about potential risks, but less of an awareness of the enormous benefits of the internet. We often think about internet issues through the prism of fear. It seems to me that it would be good if, over time, partly through the leadership of this place and the kind of language we use, we were to try to move beyond that. I suspect that to some degree it boils down to theories of human nature, if that is not too grand. On the whole people will use new things to do good things. We must do what we can to prevent the bad stuff, but inevitably bad stuff will happen, and we must minimise that. However, if we continue to think about the internet and its governance through the prism of fear, we will end up over-regulating it.

It is worth referring to a couple of other observations that were made by some of us at the IGF, which were helpfully referred to on the ukigf.org.uk website. One was that some emerging economies or developing countries are concerned about EU blocking practices. I do not mean to say that the practices they have in mind are wrong, with respect to the examples I heard in Kenya, but they see it as a restrictive practice. Lots of stuff coming out of Nigeria gets blocked automatically, because of the country's reputation—deserved or otherwise—for economic crime on the internet. I have never replied to an email by giving my bank account details in the hope of getting the $10 million lodged in my account, so I am not sure how much of what is said is fear-mongering and how much is real, but nevertheless it has led to some emerging countries having their country domain names blocked. That is a pity and I hope that over time the Government, in conjunction with other Governments around the world, can do something about the relevant perceptions and practices.

I had not come across the Internet Society before I went to Nairobi. It is a very good organisation, with a good website, showing a series of models of how the internet could evolve. One model is called the common pool: that is, generally, a bit of tussle and roughness along the way, with, in the end, people stressing the collaboration, competition and sound evolution of the internet. There are other models, showing the risks of over-regulation. Governments might over-regulate because they fear the consequences in their own countries—if they fear freedom of speech, for example. Over-regulation might come about because large commercial interests demand that walls are put up for their commercial reasons. We must guard carefully against that and I recommend looking at those models on the isoc.org website.

I have been reading a book called "The Revolution Will Be Digitised" by Heather Brooke. Many hon. Members will know who she is. I do not see her around here much; perhaps that is for her own protection. She has written a pretty good book, actually. It is a romp through things that have happened—particularly, from the past year or two, WikiLeaks. She mentions the Icelandic modern media initiative, and that pooling of different legislation together for good use is quite interesting. I do not say that it is necessarily the exact model for the future, but it will be interesting to watch it as it evolves in the Icelandic Parliament.

Ms Brooke raises an issue that is a core aspect of another of the divides in our discussions of the internet, and the WikiLeaks phenomenon is central to it. There is a trend among some people to laud the release of information for its own sake, and to see that as reflecting a sound, open internet. I am currently a member of the Joint Committee on Privacy and Injunctions, and it is my opinion that a balance must be struck between such openness and privacy. I am not as negative as some hon. Members about the Pirate parties, because I see them as putting a polemical argument that can be deconstructed and can be seen to have some valid points. The clash of ideas is important. It is necessary to listen to those parties' lines of argument, make sense of them and break down some of their assumptions. I have found that they will often accept an argument, and they are a useful addition to the mix—not that I am encouraging any kind of piracy, obviously. The important thing is that we will have to find a balance between privacy—and everyone, including the pirates, stresses the importance of that—and the free flow of information. I do not propose to present the full solution in the next 30 seconds, but it is an important theme, which came out at the IGF.

When the IGF was held in Nairobi the Kenyan Government did a super job and flew the flag very well for emerging economies. I took the opportunity, while I was there, to have a long meeting with the Rwandan Foreign Minister. As the Minister knows, this Government have followed the path laid by the previous Administration and formed close contacts with the Rwandan Government. They have also provided strong budgetary support. Rwanda is not a perfect regime, but it is a progressive and positive force. One of things that it has done of which it is proud is to install fibre optic cables across Rwanda. Clearly, it wants to be at the forefront of the internet age, which is a big challenge for such a poor country. I have a particular interest in Rwanda and have found that people refer to Rwanda in all sorts of ways; sometimes they say good things and other times not such good things. When it comes to the internet though, Rwanda is making a genuine effort to bring the benefits of the internet to an impoverished, developing country—albeit one that will hopefully reach middle-income status in the next nine years, which would be a remarkable feat.

I encourage the Minister not to see the internet through a prism of fear, cyborgs and men in shiny suits. We are not talking about the silent footfall of the mad cyborg axeman. He should look at the whole area in a constructive way and accept that the divides that exist can often be overcome by intelligent discussion and debate, as I have found in recent discussions with corporate stakeholders and ISPs. The Minister should perhaps reflect on that fact. It behoves all of us to remember the enormous potential benefits that mobile networks and mobile access will bring to Africa.

3.31 pm

Mike Crockart (Edinburgh West) (LD): I congratulate the right hon. Member for Cardiff South and Penarth (Alun Michael) on securing the debate. As members of the Parliamentary Information Technology Committee, now the Parliamentary Internet, Communications and Technology Forum, we have attended some fascinating discussions over the past year on many of the areas under discussion today. The IGF in Nairobi covered a wide area and was entitled, "The Internet as a Catalyst for Change: Access, Development, Freedoms and Innovation." In my short speech today, I should like to focus on just one area—access, which has already been touched on by my hon. Friend the Member for Stevenage (Stephen McPartland). This one topic includes many elements, covering traditional wired access, the mobile internet, accessibility to the internet and the right of access of many people to the internet.

The most readily understood element of access is the wired access provided by phone lines and fibre-optic cabling. This country has a relatively strong position in that area. My home city of Edinburgh is among the best. According to a recent Ofcom study, it has an average maximum broadband speed of 10.1 megabits per second. Only 4.5% of people receive less than 2 megabits a second. I think that we can guess who represents all of them. Many rural and urban areas still lag behind. Kirkliston, a village barely 10 miles from the centre of Edinburgh, has speeds on its copper infrastructure of generally less than 1 megabit a second. Such speeds make real functional access for both individuals and businesses nigh on impossible.

I welcome the £68.8 million pledged by the Government as a contribution towards upgrading Scotland's infrastructure. However, that money now sits in a bank account waiting for a strategy from the Scottish Government to emerge some time next year, which is not a great help to my constituents.

To be honest, the problem, or indeed the opportunity, is not really wired access but the mobile internet, a technology whose growth has outstripped all others and which, worldwide, will transform how the internet is accessed and, therefore, governed. Today, about half of all internet users, and a seventh of the world's population, have already moved to mobile internet. A recent industry survey estimated that mobile broadband subscriptions would reach 3.8 billion or about half the world's population by 2015. Another report predicted that by 2015, traffic from wireless devices would exceed traffic from wired devices. To date, the mobile internet has possibly been the fastest growing technology in history, but even that takes us only partially towards the access envisaged by the title of the IGF debate this year.

Everything I have talked about so far deals merely with the pipes and not with what comes out at the end. By that I mean the obvious difference between access and accessibility, which in itself covers many areas. There is an urgent need to consider how information is presented on the internet. There was much talk at the IGF of a move to a more multilingual internet and one that looks to put all users of the internet on an equal footing. Taking that down to local level, I am having a new parliamentary website designed with the help of the plain English campaign. In doing that, I have to take into account accessibility for users with varied needs. That is something that many companies and Departments need to spend a great deal more time on.

Equality of access across the world raises even more basic questions. The UN rapporteur on human rights has called for access to the internet to be a human right, giving individuals, as it sometimes does, their only access to an unfettered flow of information and a right to freedom of expression. That poses an interesting question for me, sitting as I do on the Joint Committee on Human Rights and on PITCOM; I am straddling both those strands.

In the past, many countries, Kenya included, have faced challenges to shut down or limit access to the internet. The internet in general and the social networks in particular have heightened our awareness of many such issues. For example, they were used to co-ordinate many of the uprisings in the Arab spring and the riots in this country.

We must stand by free, unlimited internet access in this country and abroad. The internet is fast becoming one of the key engines of economic and social transformation and growth across the globe. The internet governance framework will be an important way of ensuring that we focus not only on physical access but on access to freedoms of expression and association. I hope the Minister will rapidly do all he can to push forward both sides of that access agenda.

3.37 pm

Helen Goodman (Bishop Auckland) (Lab): It is a pleasure to see you in the Chair this afternoon, Mr Benton. I congratulate my right hon. Friend the Member for

[Helen Goodman]

Cardiff South and Penarth (Alun Michael) on securing this extremely important debate. Ironically, when the Minister and I were debating one of the world's oldest technologies this morning, this place was packed out. Now, we are at the cutting edge of technology and there are far fewer people, which is perhaps not the best reflection on parliamentarians.

What has emerged this afternoon is the complexity of the issues and how difficult it is to get the balance right. I was struck yesterday by the impact that the net is having on business development in this country. Despite the recession, net-based firms are expanding at a phenomenal rate and are completely bucking all trends. We are also aware of the positive role that the net and mobile devices have in developing countries. They enable people to know which markets to take their produce to and to save time on travel when travel links are not very good. It is clear that there are many positive benefits to be had.

Children and young people's capability on the net and their capacity to use it for positive purposes are way ahead of the rest of us. Politically speaking, we have seen in north Africa and the middle east the huge impact of the net on enabling people to communicate. That had two benefits: access to ideas, which was not previously available to people there, and the facility for communicating swiftly, which was undoubtedly significant.

At the same time, however, there are risks and we need to consider the public policy aspects of the internet. One public policy aspect that I shall be interested to hear about from the Minister is whether the internet service providers or the owners of the technology are themselves competing in a proper market. Because the technology has emerged very quickly and because some firms have grown very speedily, I wonder whether there is both monopolistic and monopsonistic control of some parts of the market. We need to think about that issue, because obviously a firm such as Google, which has grown very quickly, is technology-based. In a way, one could almost say that it is a happy accident that Google has been so successful. One can imagine that similar market power held by other companies might not be quite so beneficial. We need to address that issue.

Labour endorses the report by Ian Hargreaves on intellectual property. We look forward to the implementation of many of his recommendations.

My hon. Friends the Members for Coventry South (Mr Cunningham) and for Central Ayrshire (Mr Donohoe) spoke about crime on the internet. There are many dimensions, but I want to say something about child safety online and online harassment. A major piece of work is being done at the moment by some colleagues about online stalking, which is emerging as a significant problem. I wonder whether people take online stalking seriously enough and realise how terrifying and harassing it can be. We hope for some developments on that issue.

One of the things that I have noticed in the short time that I have been in the job of shadow justice Minister is that for many of the proposed protections people are supposed to engage in self-protection. For example, I went to a meeting last week where I was told by BT that it was quite simple for people to organise online protection for their children on their home computer; it was supposed to be perfectly straightforward. I went home, tried to do it and could not make the computer work for the next 24 hours.

Earlier this week, I visited another company and we discussed the use of cookies. I do not know how much you know about cookies, Mr Benton, but it was extremely interesting to learn how much information can be gathered through their use by the ISPs or whoever it is—I am not sure who it is, which reveals the shallows of my knowledge. Anyway, I was told once again that it is quite simple for people to go on to the internet and edit their own entry, to control the information held about them. Again, I tried to do that and again I completely failed. If we are to have a safe internet, it must be safe for people who are not technologically sophisticated. Going down the line that everyone must have a DPhil in physics to be able to protect themselves is not the place to go.

I reinforce the point made by my right hon. Friend the Member for Cardiff South and Penarth: it is important that we discuss different aspects of the issue in different parts of the House and think about the different elements of behaviour that impact on people. It is also important that we take understanding of the internet, its implications and its governance beyond people interested in the technology involved, because as my right hon. Friend said we cannot simply have technological solutions.

It is clear that there is a group of people who think that the internet should be like the forest in the 14th century—a place where outlaws can run free and unrestrained. That is not realistic and it is not what any of us who are here for this debate want. I respect my hon. Friend the Member for Falkirk (Eric Joyce), but we have learned that piracy is not a very good idea. From the 16th century to today, we have had increasing developments in the international law of the sea.

Eric Joyce: I was not suggesting that piracy is a good idea and I was not referring to Somalia. I was simply saying that it is good to listen to polemical arguments sometimes, because sometimes they are made with considerable force. I would also caution against situations where some interests—I am not being negative about corporate interests—will sometimes use the internet to extend their control, such as was the case when someone wanted a book loan in the past but were not able to pay to file-share.

Helen Goodman: My hon. Friend makes a good point—I was only teasing him. However, the fact is that we have been told on a number of occasions that we cannot control things that are problematic on the internet because it is international; that was the first set of responses when people were raising concerns about the internet. Well, what that tells us is that we must have international governance arrangements. I am very pleased that so many of my colleagues, from all parties in the House, were in Nairobi to look at the international governance arrangements.

Alun Michael: My hon. Friend is making a very good point indeed, but there is more connection between what she is saying and what my hon. Friend the Member for Falkirk (Eric Joyce) said than might immediately appear. One of the problems is getting two groups of people who take a diametrically different view from each other into the same room to have a debate. We have

seen that in relation to intellectual property and exploitation of the internet. In that sense, my hon. Friend the Member for Falkirk is right to say that we must not close anyone out of the argument, even if we ultimately reject the case that they are making. We must have a joined-up approach so that as far as possible everybody is in the room having the debates and understanding each other's point of view.

Helen Goodman: Of course. My right hon. Friend speaks with experience and good sense about the need to take account of different perspectives. I also thought what he said about the nature of rules is important. He said that they need to be values-based, outcomes-based and technologically neutral. That is absolutely the right approach. Privacy offers an important example. It is no more acceptable to invade a person's privacy using one technology than it is using another. Everybody must understand that, but sometimes we behave as if it is not the case.

That point raises another issue, which is whether different technologies tend to encourage different sorts of behaviour. If I were to tell you something quietly in the corridor, Mr Benton, and said, "Please don't repeat this to anybody", I am absolutely certain that you would not repeat it. Equally, if I was to go to my doctor and tell him something, and he wrote some notes down in handwriting and put them in a safe place, I would not be worried about them being leaked. However, in my mental health trust recently somebody took a memory stick out of the office, dropped it in the local car park and all the mental health records of everybody in County Durham became widely available. That kind of casualness or casual behaviour is more prevalent in the zone of computers. Although the values we use should be neutral in relation to the technology, I do not think that people's behaviour is quite so neutral.

In conclusion, I hope that we can have further debates about this important issue in this Chamber.

3.49 pm

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): It is a pleasure to appear under your chairmanship, Mr Benton. I welcome the hon. Member for Bishop Auckland (Helen Goodman) to her position as Labour spokesman on communications and creative industries.

I pay a heartfelt tribute to the right hon. Member for Cardiff South and Penarth (Alun Michael), not just for securing this debate but for his leadership on this important issue, both as a Minister and since leaving post. In the spirit of co-operation that I think has characterised the debate, let me put on record how helpful he has been to me as a new Minister, in establishing myself in the post and finding my way around it. His co-operation and knowledge sharing has helped me to get up to speed and to continue, I hope, to represent the UK effectively in these important debates. The hon. Member for Falkirk (Eric Joyce), who was with us at the Internet Governance Forum in Nairobi, is now following these matters very closely, and will be an important contributor to debates on this issue.

I thank my hon. Friend the Member for Stevenage (Stephen McPartland) for his contribution on broadband, and I shall briefly touch on that issue now before turning, in the main part of my response, to internet governance. On the issue of the spectrum, which was also mentioned by the hon. Member for Edinburgh West (Mike Crockart), we obviously know that the internet is very important. At lunchtime, I was at a retail store with people we were encouraging to get online—there is a campaign called "Give an hour", run by Martha Lane Fox. Pat Harran, Mohammed Mir, Errol Hall and someone called Pitchit were there to get online, and I promised I would mention them so that they could look up *Hansard* online. Showing them how to find a *Hansard* debate on the Parliament website on an iPad was instructive because it was almost impossible; there is a message there for the parliamentary authorities.

I learnt an interesting statistic today that marries my two responsibilities in culture and communications. During the Frieze art fair, which lasted just four days and had 60,000 visitors, 1 terabit—a trillion bits of information—was downloaded. Incidentally, 85% of visitors were using an iPhone or an iPad, which shows the dominance of Apple, at least in trendy circles such as contemporary art. In 1993, 100 terabits was the entire amount of information transferred across the internet—I was virtually middle-aged then—so we can see how things have changed in a short time. My hon. Friend the Member for Stevenage and the hon. Member for Edinburgh West are entirely correct to focus on the spectrum, and it is vital that Ofcom gets the auction rules right and that we are able to auction the 4G spectrum as soon as possible, because otherwise it will become more and more difficult to use the smart phone gadgets on which we all depend.

Turning to the substance of the debate, which is the Internet Governance Forum and the multi-stakeholder approach, I shall recount a short anecdote for the benefit of the right hon. Member for Cardiff South and Penarth. The Foreign Secretary does not like the term "multi-stakeholder"; indeed, he has said that it is an ugly term, and at the London conference, which begins next week, I think he plans to use "co-operative governance", which is a bit of a mouthful for a Conservative—he might even stretch to "mutual governance". Perhaps the Foreign Secretary's power will shift us away from "multi-stakeholder engagement," but that is the term that people across the world understand.

The conference in Nairobi was very useful. I went because of the persuasion of the right hon. Member for Cardiff South and Penarth, and I am grateful that people said it was good to see a Minister there. It was certainly worth my while, and I will continue to go as long as I hold this job, because it is important to have a presence there and engage with not just stakeholders but Government representatives who might have a different approach. The multi-stakeholder model is not universally accepted, and different models have been put forward. The right hon. Gentleman knows that moves are afoot to transfer responsibility for internet governance to the International Telecommunication Union—the ITU. The UK Government does not support that, and so in answer to the right hon. Gentleman's question, we will continue, I hope, to lead on this issue and support the multi-stakeholder approach.

There is a proposal from India, Brazil and South Africa, known as the IBSA model, to set up a new global body within the UN system, but I think that that would be an unravelling of the world summit on the information society—WSIS—principles that were

[Mr Edward Vaizey]

established, thanks to the right hon. Gentleman, in Tunis in 2005. In addition, China and Russia have submitted to the UN General Assembly a proposal for the international management of the internet.

I subscribe to the multi-stakeholder model. The internet was built from the ground up. It is an innovative medium, and not just Governments but other stakeholders, civil society groups and business all must have their say if it is to remain so. One reason for the debate in this area is the continued role of the Internet Corporation for Assigned Names and Numbers. Recently, there have been concerns about ICANN's approach regarding the .xxx domain name, but I am glad that as a result we have had significant reforms of the corporation and a more coherent role for its Government Advisory Committee—GAC—and are now well placed for the corporation to move forward, particularly as it releases more generic top-level domain names from next year.

We also have the re-letting of the Internet Assigned Numbers Authority—IANA—contract, which is currently operated by ICANN under the auspices of the US Government. It is absolutely clear that the US Government take their responsibility in that regard very seriously, as a steward for the global internet. People who suggest that they would somehow seek to turn off the internet are completely wrong—there is even an untrue anecdote that they cut off Syria four or five years ago. It is important, however, that the US recognises such concerns, and I think that it does. For example, when the IANA contract is let, it might go to ICANN or it could go to another body, and that will be seen as a global body, although it will be registered in the US. Local law will apply to the country that owns the domain name, so .uk will continue to be subject to UK law. In any dispute, the relevant domestic law of the domain name will prevail.

In consideration of new generic top-level domains, there will be a requirement for community support for IANA to amend the root and thus add a new domain—.scot for example—to protect us against controversial root domain names coming forward. The operator of IANA will also have to introduce enhanced transparency so that a request for root zone changes can be tracked through the system. I hope that people who feel that somehow a UN or an ITU route would be better—in that it would reduce the influence of the Americans—understand that the Americans do not seek to influence the governance of the internet and that they regard themselves very much as stewards.

I have very little time left, but I am glad that I have covered the main points: support for the multi-stakeholder approach; concern about the two proposals that I have mentioned; contentment that the issue between GAC and ICANN has, I think, been resolved and moved forward; and the United States Government's recognition and addressing of the concerns about the re-letting of the IANA contract. We have the important London conference on cyberspace next week, and I hope that some of the Members present will be able to attend. If not, I ask them to please let me know. I am sure that they will be able to attend if the problem is at our end.

Let me make a couple of other points. There is the importance of internet protocol version 6. We have run out, as it were, of domain names and need to move to IPv6, and I want to use this opportunity to call on industry, particularly the internet service providers and the mobile operators, to support 6UK, which is the business body charged with raising awareness of IPv6. So far, support has not been forthcoming, and it now needs to come from the people who will reap the main benefit—the ISPs and the mobile operators. On the philosophical approach—if I may put it that way—that the hon. Member for Bishop Auckland took, there is potentially common ground between us. I am interested in her monopolistic and mons—

Helen Goodman: Monopsonistic.

Mr Vaizey: I will not even try to say it. I will not give any views on that approach because I do not want to set any hares running.

There is also the self-regulatory approach to try to protect people from inappropriate content on the internet, and I welcome the ISPs' code of conduct on active choice, which is designed to do precisely what the hon. Lady says, to give parents easy tools with which to protect their children. My approach with these businesses is to say, "This is the policy problem. You have the technical knowledge, so help us to solve it. Don't simply say, 'It can't be done'."

3.59 pm

Sitting suspended for a Division in the House.

Fuel Poverty

[SIR ALAN MEALE *in the Chair*]

4.13 pm

Chris Evans (Islwyn) (Lab/Co-op): It is a pleasure to serve under your chairmanship for the first time, Sir Alan. This is the second time that I have secured a debate in Westminster Hall on fuel poverty. The first time was last January, when we had just had the coldest December on record and, as we spoke, many of us continued to feel the effects of the cold. I called for that debate because I was troubled and concerned about the number of constituents who had contacted me to tell me that they were feeling the effects of the terrible cold weather. I said then, as I say now, that fuel poverty is a black mark on society. It is up to us to do something about poverty anywhere, whenever anyone is impoverished. I say that not from the point of view of the Government or as a politician, but as a human being.

I was heartened and encouraged by last January's debate. After listening to the response of the Minister of State, Department of Energy and Climate Change, the hon. Member for Wealden (Charles Hendry), I really felt that we got it. However, I find myself talking about the subject again today. Ten months later, the average annual bill for a dual fuel customer is £1,293, or 6% of median household income, compared with 3.3% in 2004. That means that an average family on an average income are edging ever closer to the disastrous figure of 10% of their income going on fuel bills.

Anne Marie Morris (Newton Abbot) (Con): I share the hon. Gentleman's concern. My constituency in Devon, which is a rural community, has low income and great rurality. There is a higher percentage of pensioners in Devon than in any other part of the country. Many members of my rural community use fuel oil, as opposed to gas, and it is twice the price, so I share his concern about this problem.

Chris Evans: I thank the hon. Lady for raising that concern. Rural communities are harder hit because, as she has said, they use oil, the market price for which is out of control. Something needs to be done. I will not mention that too much during the debate, but I hope that the Minister of State, Department of Energy and Climate Change, the hon. Member for Bexhill and Battle (Gregory Barker), will touch on it when he responds.

If an average family is being put into fuel poverty, we have serious problems. We talked about fuel prices in the main Chamber last Wednesday and it was evident that the Government need to review their energy policy. I am not going to talk today about how bad the energy companies have been—I mentioned that enough during my contribution to last Wednesday's debate—but there needs to be root-and-branch reform. If I started going on about that today, I do not think that it would add to the debate in any respect, because, at the end of the day, fuel poverty is a matter of life and death for so many people and so many of our constituents. It means making the heart-breaking decision between eating a meal and heating their house.

I could cite a number of examples of older people who only put on one bar of their fire, or who heat only one room, to reduce their fuel costs. As I said in the Chamber last week, constituents have said to me, "I sit in the living room with my coat on, because I can't afford the heating," and, "I go bed at 8 pm, because when I'm in bed I don't use heating." It is absolutely terrible.

It is in vogue at the moment to blame the Labour party for everything. When buses are late or trains do not turn up, I am sure that, somewhere along the line, somebody will blame the Labour party. Despite such brickbats, I am proud that the previous Labour Government did all they could to address fuel poverty and improve the energy efficiency of homes.

Jessica Morden (Newport East) (Lab): Does my hon. Friend find it deeply worrying that this Government's only answer to rising fuel bills is to tell people that they are to blame for not shopping around?

Chris Evans: As I said during last week's debate, it is all very well to tell people to shop around but, if all the energy companies are putting up their prices across the board, how can people shop around? I also said that energy is not a luxury item—people have to have it. It is not possible to have superfast energy in the same way as it is to have superfast broadband. How can people shop around? It is a failure of the market. If we are going to ask people to shop around, the Government need to encourage more entrants into the market.

Guto Bebb (Aberconwy) (Con): I congratulate the hon. Gentleman on securing this debate. On the failure of the market, energy prices in Scandinavia—in Sweden and Denmark—are higher than those in the UK, possibly because the UK has a more free market. In Scandinavia, however, they make a more comprehensive effort to make sure that they are energy-efficient, which makes a real difference in terms of fuel poverty, because their prices are actually higher.

Chris Evans: I still believe that the only way to drive down prices is to have more competitors. We have only six companies as competitors, they all seem to be pushing up their prices together—I am not saying that that is what they are doing, because a number of inquiries have said that they are not—and the regulator does not seem to be doing anything about it. I do not agree with that situation. We need to look at ways to bring in more entrants into the market. As I have said, however, that is not a debate for now.

The introduction of winter fuel payments, central heating programmes and the energy efficiency commitment have all played their part in easing the pain that people have felt in meeting their energy costs. However, I cannot talk about fuel poverty or pensioners in my constituency without mentioning the cut to the winter fuel payment.

Jim Shannon (Strangford) (DUP): I congratulate the hon. Gentleman on bringing this matter to the Floor of Westminster Hall. Today, I met a group of about 20 people from Age Sector Platform in Northern Ireland. They indicated that approximately 770 people died from the cold in Northern Ireland last year. Does he share my

[Jim Shannon]

concern that the changes to the winter fuel payment will contribute greatly to more people dying because they are not able to get the correct money?

Chris Evans: I agree with the hon. Gentleman completely. In Wales, 1,700 people are dying from the cold every year. As I have said, in this day and age, what does it say about us as a society when people are dying from the cold? It is absolutely terrible. I cannot put into words the shame that we all should feel if somebody dies from the cold.

On the reduction in the winter fuel payment, the Chancellor and Government Members have said, "It was only ever a temporary increase and we stopped the increase because Labour put it up." It is all very well saying, "Oh, it was a temporary increase," but once someone has got used to that money coming in, they tend to feel the pinch when it has gone. The Government need to reconsider that terrible decision.

The hon. Member for Strangford (Jim Shannon) mentioned the number of pensioners dying from the cold in Northern Ireland. In my constituency of Islwyn, there were 41 winter deaths. If we get nothing else from the Minister today, I hope that he will make a commitment to do all he can to ensure that nobody else is added to that tragic statistic.

Katy Clark (North Ayrshire and Arran) (Lab): My hon. Friend represents a Welsh constituency. Some 26% of Welsh households are said to be in fuel poverty. In Scotland, that figure is 32.7%. We are expecting a cold winter. Does he agree that there is a crisis and that the Government need to consider introducing measures to ensure that we do more to help people with their heating costs?

Chris Evans: Absolutely. I agree with my hon. Friend entirely. Scotland and Wales have a lot in common. We are Celtic cousins, as is the hon. Member for Strangford. We share the same problem of fuel poverty and something needs to be done as a matter of urgency. I hope that we will hear something from the Minister about that.

Today, I want to talk about a group of people who are hardly ever mentioned. I want to pay tribute to Macmillan Cancer Support, to which I have spoken about cancer patients. This is a very important issue. Anyone who has had the heartbreaking news that they have cancer or who knows someone who has cancer does not need to be told how hard life can be. They are faced with months of treatment, heartache and worry, and the last thing that any family of a cancer patient should worry about is whether they can pay their energy bills.

Cancer patients are particularly vulnerable to plummeting temperatures and rocketing fuel bills. Many will be faced with fuel poverty because they have increased energy needs at a time when their income has dropped dramatically. Since getting involved in this campaign, I have heard many harrowing stories that underline just how hard people living with cancer feel the effects of high energy bills. The following story stood out. One woman said:

"My immune system is so weakened that I am very prone to colds and infections but I can't afford to keep warm all the time. I cover myself in blankets and hot water bottles to help keep my joints warm. I am always in debt and behind with payment to the energy companies, even during the summer. It makes me panic. I try and give them £10 whenever I can, but to be honest I'd rather be in debt than get even more ill. I wish the government would realise that it's not just the old who get cancer and suffer the cold."

During treatment, 70% of cancer patients under the age of 55 lose, on average, 50% of their household income. That is why fuel poverty disproportionately affects those with cancer, and why one in four cancer sufferers also suffer from fuel poverty. Despite evidence that living in fuel poverty has a negative impact on the health and well-being of people with cancer, one in five cancer patients turn off their heating during winter because they are so worried about their bills. The problem is made worse by the fact that people living with cancer spend longer at home when they recuperate and as a result may be less active. They also have a higher use of appliances, such as washing machines and tumble dryers. The effects of chemotherapy may also make cancer patients more susceptible to the cold. As I have said in the past, one way of combating fuel poverty is by increasing the income of those who find themselves struggling with bills.

Jim Shannon: Is the hon. Gentleman concerned, as I am, that stress over financial issues adds to the health problems of people with cancer? It is important for those people to have money to get through such hard times.

Chris Evans: As I said, when someone has cancer, the last thing they need to worry about is money, paying the bills or meeting any other financial obligations. The top priority of someone with cancer and of their family should be to get better and beat that evil disease.

Cancer patients do not receive the support they need. For instance, the winter fuel payment is only paid to those who are over 60. Only 7% of cancer patients in fuel poverty are on a social tariff, and only those on certain benefits linked to low income are included in the carbon emissions reduction target super-priority group. People affected by cancer who are under 60 are not entitled to that support, even though roughly one in four cancer patients have not yet reached their 60th birthday. If this debate achieves anything, it is my sincere hope that the Government will give serious consideration to extending the winter fuel payment to particularly vulnerable groups, such as those with a terminal illness, the disabled or those undergoing treatment.

Cancer patients are poorly served by the Government's schemes to reduce fuel poverty. Many rely on additional sources of financial help to pay high gas bills and, as a result, risk falling into debt. The warm home discount scheme is run by energy companies and provides certain groups of fuel poor energy customers with an annual rebate of £130 off their energy bills. That rebate can be provided either automatically or to other vulnerable groups as defined by the energy companies. Cancer patients will only be able to apply for support if they fall within the categories set by the energy companies. It is my fear that, unless the Government provide tighter guidance to energy companies regarding the eligibility for the WHD, vulnerable cancer patients will miss out. For instance, under the social tariffs set by energy companies, only 7% of cancer patients in fuel poverty

receive support. I therefore hope that the Minster will say he will look again at the eligibility criteria of the warm home discount if it becomes apparent that it is not reaching the most vulnerable people.

One of the major problems with fuel poverty is that the people who are suffering from it are not always aware of the issue. I shall give an example. Many years ago, when I was working for my predecessor Lord Touhig, we secured a fuel poverty debate in Westminster Hall. At the time, he was president of the National Old Age Pensioners Association for Wales. He asked me to speak to the secretary. I phoned him up and said, "Ralph, Don is doing a debate on fuel poverty tomorrow and he is wondering whether you have any examples of it." He said to me, "Well, the problem is that most people do not realise that they are suffering. Energy bills are a way of life. If we get cold, we put on an extra pullover or we put an extra bar on." People do not seem to know that they are suffering from fuel poverty, which is a major problem when it comes to discovering other groups in fuel poverty, such as cancer patients.

The English housing survey currently used by the Government to calculate fuel poverty figures in England does not include questions related to a person's cancer diagnosis, despite including questions about other disabilities. The Government must start collecting that data if they are to successfully target resources at those most in need. We need to consider targeting the winter fuel payment at the terminally ill. The Government should consider changing the English housing survey to include a question about cancer, alongside questions about other disabilities. Only by doing that will Government data give an accurate depiction of the number of cancer patients suffering from fuel poverty.

It is clear that more must be done by the Government to proactively prioritise people with long-term health conditions in fuel poverty who require support. The Government have acknowledged that the green deal will not work for fuel poor households as they are likely to be under-heating their homes and will be unable to take on debts or make significant savings. The Government have made provision to address that with the energy company obligation, which will subsidise energy efficiency measures for fuel poor households. However, I am concerned that the money available under the ECO will not be large enough to help all fuel poor and vulnerable households. Many cancer patients will not be able to access the support if eligibility is restricted to certain groups on very low incomes or qualifying benefits. That is why I am looking for assurances from the Minister that those diagnosed with cancer will be able to access support when the ECO comes into effect.

Energy companies are seemingly increasing their prices at will, and we are faced with the difficulty that people will fall into fuel poverty as soon as energy prices rise. My predecessor as Member of Parliament for Islwyn, Lord Touhig, was fond of quoting James Maxton, whose words have a special meaning now. He said that poverty is man-made and therefore open to change. If anything, fuel poverty is man-made, and with the political will we have the tools to do something about it.

4.29 pm

The Minister of State, Department of Energy and Climate Change (Gregory Barker): I congratulate the hon. Member for Islwyn (Chris Evans) on securing the debate, and his continued and tenacious advocacy of action on fuel poverty. We all admire the way in which he is pursuing this agenda on behalf of his constituents, and I assure him that the coalition shares his concerns about those living in fuel poverty. It is a disgrace in the 21st century that so many people are cold in winter. For example, we know that it is very likely that each winter more people will die of fuel poverty than will be killed on the roads, which is a shocking statistic.

I assure the hon. Gentleman that my officials and I regularly meet with a wide range of consumer groups and other stakeholders, including not just Citizens Advice but Macmillan Cancer Support, which is taking this issue to heart, and Carers UK, which is doing a great job of speaking up for the most vulnerable in our society. I particularly recognise the issues that those living with cancer may face because they spend more time at home and need to keep warm. Through our policies, those people living with cancer on a low income should be able to access assistance to keep their homes warm more affordably.

I assure the hon. Gentleman that the Government are committed to protecting those who need help most, and committed to making change where change is needed. That is why we have asked Professor Harrington, the independent reviewer of the work capability assessment, and Macmillan to look at how the WCA assesses people who are receiving treatment for cancer and whether it can be improved. Professor Harrington and Macmillan have now submitted their report to the Government. We are considering the report and will come forward with proposals soon.

I agree with the hon. Gentleman that the fuel poverty statistics make depressing reading. While I do not seek to blame the previous Labour Government for slow-running buses, between 2005 and 2009, during the third term of the previous Labour Government, the number of fuel-poor households across the UK more than doubled. It did not do so from a small base; it went from 2.5 million to 5.5 million people. Of those, 4.5 million were in vulnerable households. The elderly, families with young children, the long-term sick and the disabled were all caught up in this rising epidemic of fuel poverty. The latest figures from the Welsh Assembly Government estimate that of the 1.34 million households in Wales, 332,000 households were in fuel poverty in 2008. If we are going to reverse this iniquitous trend something big has to change. We need to completely rethink, redesign and re-engineer our policies.

In order to find the right solutions, we need to make sure we ask the right questions. That is why we invited Professor John Hills, of the London School of Economics, to undertake an independent review of both the fuel poverty target and the definition. He has been asked to look at fuel poverty from first principles—what causes it, its effects and how best to measure it.

Stephen Gilbert (St Austell and Newquay) (LD): Will that review include off-grid customers, those whom my hon. Friend the Member for Newton Abbot (Anne Marie Morris) spoke about in relation to domestic heating oil? They have seen prices go up by 90% in the past year and are looking to the Government to help them to avoid falling into the problems that the hon. Member for Islwyn (Chris Evans) spoke about so eloquently.

Gregory Barker: Absolutely. The rural fuel poor are the hardest hit of all. In the last years of the previous Labour Government, they saw, in real terms, the cost of heating their homes increase by 130%—absolutely iniquitous.

Albert Owen (Ynys Môn) (Lab): The Minister will be aware that fuel poverty has been rising in the past 18 months as well. We had one of the coldest winters, and external factors contributed to that. With regard to off-grid, the Minister of State, Department of Energy and Climate Change, the hon. Member for Wealden (Charles Hendry) conceded that he would meet with myself and other hon. Members. Is the Minister saying that he will look at the possibility of Ofgem, the regulator, giving the same protection to people who are off-grid as it does to those who are on the gas mains? They need that protection against fuel suppliers, not competition and regulation.

Gregory Barker: The hon. Gentleman makes a valid point. Protection in this area is overseen by my hon. Friend the Minister of State, who has that portfolio responsibility. I am sure that he will be pleased to meet with the hon. Gentleman and his colleagues to discuss this matter, because we are concerned about fairness and practices that have been going on among the heating oil distributors. I know that my hon. Friend takes this issue very seriously.

The independent report being prepared by Professor Hills focuses on whether fuel poverty is distinct from poverty and why measurement is important. It provides an assessment of the current definition of fuel poverty, and identifies and analyses possible modifications and alternatives to the existing definition. I do not wish to be frivolous, but it has been pointed out that under the current definition of fuel poverty Her Majesty the Queen would be in danger of being tipped into those defined as fuel poor, because it takes more than 8.9% of the royal grant to heat the historic royal palaces. We have to ensure that the definition captures those who are in genuine poverty, rather than the more well-off who are making lifestyle choices in spending their income on such things. We have to ensure that we focus our precious resources on those who are genuinely the most vulnerable.

Tackling fuel poverty will be a huge challenge and a key part of the solution is undoubtedly to address the thermal efficiency of the UK housing stock. Britain has some of the oldest, leakiest and most expensive homes to heat in Europe. We urgently need to address this issue. We do not have the highest energy costs; we have among the highest energy bills, because we have to waste so much heating to actually keep warm. Both the carbon emissions reduction target and Warm Front, measures started under the previous Government are continuing, with work being done in the homes of some of those most at risk. However, we recognise that if we were to just continue with these measures, specifically with Warm Front, it would never get us close to meeting our statutory target of eliminating fuel poverty. In fact, Warm Front would take approximately 80 years to get close to dealing with fuel poverty.

We need a game changer and that game changer is the green deal. The coalition flagship Energy Bill, which contains the green deal, has now received Royal Assent. That is a significant milestone on the journey to launching the most ambitious home-improvement programme since the second world war. We expect to commence a public consultation shortly on secondary legislation to develop the precise design and scope of the scheme. We are working closely with the devolved Administrations to ensure that the green deal can be rolled out at scale, really ambitiously, right across Great Britain.

The green deal is necessary to deliver our objectives, but on a dramatically more ambitious scale than anything that has gone before. We aim to retrofit 14 million households by the early 2020s. Assistance for the fuel poor and targeting the most vulnerable will be at the forefront of this action. The domestic green deal is an opportunity for all householders, whether in the private sector, social rented sector or private rented sector, to improve the energy efficiency of their homes at no up-front cost. It will help protect people against price rises in the future through greater energy saving now.

However, there are drawbacks and we appreciate the particular needs and constraints of the most fuel poor. Green deal installations are paid for through future savings, and we realise that they may not be the full answer for all households. As the hon. Member for Islwyn pointed out, it is no good projecting savings on heating a whole house if the widow living there is only able to heat one room. We recognise fully the need for a substantial element of subsidy for the most vulnerable and fuel poor. That is why we will also introduce a new energy company obligation. Integrating the green deal and the ECO will provide further support for those homes that need it most.

We want to ensure that everyone who wants to can access high quality energy efficiency measures, so that they can cut their emissions and heat their homes more affordably, as well as creating a warmer, more comfortable and liveable home environment. The ECO will assist the poorest and most vulnerable households to an affordable warmth target, providing up-front support for thermal performance measures to help households to heat their homes more affordably. In developing the green deal and the ECO, we are removing the barriers to take-up, raising awareness and showcasing benefits to make energy efficiency a no-brainer for everyone.

We are aware that the long-term solution to the iniquity of fuel poverty is to renovate the UK's building stock. However, we also need solutions to keep people warm this winter, and the coalition is requiring suppliers to provide a rebate of £120 to some of the poorest pensioners through the new warm home discount. We are also providing winter fuel payments and, if we get the anticipated cold snaps, cold weather payments. We recognise that energy prices are hitting many households hard at a difficult time, and understand consumers' concerns about rising energy bills. That is why we have obtained a voluntary agreement with the suppliers, who will be writing to 8 million customers to advise on how to save money by changing to a cheaper tariff and will place a cheaper tariff signpost on the front page of most bills. Bills are far too complicated, and they need to be simplified and send much clearer messages to vulnerable and general consumers about how to save money.

Albert Owen: I support energy efficiency measures and Ofgem's recommendations for simplifying bills, but does the Minister agree that it is perverse how many

energy companies currently charge low users more money? Low users are often the vulnerable people mentioned by my hon. Friend the Member for Islwyn. Was that issue raised at the Downing street summit so that the companies got a clear message that they should not be punishing those low users?

Gregory Barker: The Secretary of State was at the summit, but unfortunately I was overseas. I will happily write to the hon. Gentleman to summarise the key issues discussed, but I can assure him that such issues are at the forefront of our minds when we are making policy.

This is the first year of the warm home discount, and we will assist around 2 million vulnerable households. Many will be low-income pensioner households—exactly the sort of constituent discussed by the hon. Member for Islwyn—who are in receipt only of pension credit guarantee credit. We expect to find more than 600,000 of them and to provide them with a £120 rebate off their bill. Most will receive a rebate without even having to claim, a major benefit to such vulnerable people who might struggle with forms or not realise that they can make a claim. The data-matching process to identify automatically the recipient low-income pensioners for this winter is currently under way, and the call centre is now open to take general enquiries regarding the scheme. Over the four years of the scheme, it will be worth up to £1.1 billion which, at a time of widespread budgetary pressures, is a significant increase in funding on the previous voluntary agreement that also assisted many households under the previous Government.

Fuel bills in the winter months can account for around 60% of the year's total fuel bill. By working with other Departments, we can ensure that we are reaching the most vulnerable with the assistance that they need. The Department for Work and Pensions provides winter fuel payments of £300 to those over the age of 80 and £200 to those over 60. Those payments provide assurance to older people that they can keep warm during the colder winter months, knowing that they will receive significant help with their fuel bills. In addition, the Government have permanently increased the cold weather payment from £8.50 a week to £25 a week, providing real help to those most vulnerable to the cold. Last winter, we made 17 million cold weather payments, worth an estimated £430 million of direct help to low-income vulnerable households when they need it most—

Sir Alan Meale (in the Chair): Order. That concludes the debate.

Seagulls (Coastal Towns)

4.44 pm

Peter Aldous (Waveney) (Con): It is a privilege to serve under your chairmanship, Sir Alan. I am pleased to have secured the debate, which gives me the opportunity to raise an issue that in recent years has affected the lives of many residents in my Waveney constituency, in particular in Lowestoft, as well as around the country, in coastal towns and further inland. In Waveney, there has been a problem in Beccles, some 10 miles from the coast, while problems have also arisen in such places as Bath and Birmingham.

Seagulls are part of the fabric of seaside Britain. Historically, other than following the plough, they have kept themselves to the coast. However, in recent years they have moved inland, nesting, feeding and breeding in buildings and on roofs, and in doing so causing considerable nuisance, stress and anxiety to nearby residents. In Lowestoft, much of the current problem centres around Waveney drive and the adjoining streets, and residents have been disrupted in a variety of ways.

Gulls are powerful birds, with a wing span of almost 5 feet, and they have messy habits. They have been known to tear apart refuse sacks and scatter the contents of litter bins in their search for food, making a mess and distributing litter, which has the potential to attract other, more conventional vermin.

Anne Marie Morris (Newton Abbot) (Con): Is my hon. Friend also aware that gull faeces cause a risk to the quality of bathing water in towns such as Teignmouth in my constituency? The Environment Agency is having to look at ways of preventing the birds from nesting on roofs and by the pier.

Peter Aldous: I welcome my hon. Friend's drawing that fact to my attention, as it illustrates the number of environmental issues that arise. Seagulls are indiscriminate defecators, with the ability to expel significant quantities of runny faeces on the wing. The consequences are most unpleasant for residents in their gardens and for anyone else out and about in the open. Householders cannot hang out their washing, and windows, cars and garden furniture are continually fouled and have to be cleaned. One household I know has stopped holding their annual family barbecue. Relaxing in the garden is no longer possible, while soiled clothes, sheets and towels have to be thrown away. There is an additional burden on local authorities' cleaning duties. Noise nuisance is also a factor. Gulls have a distinctive, prolonged, piercing and very loud laughing call. For many people, a good night's sleep is a thing of the past.

Jonathan Evans (Cardiff North) (Con): I congratulate my hon. Friend on raising the issue. He has mentioned some places in England, but even Cardiff in Wales has a massive problem. Because of the noise factor mentioned by my hon. Friend, my constituent, Mr Paul Harvey, has started a campaign in Wales on the issue, but the council tells us that national legislation is needed and that there is none that can be used at the moment.

Peter Aldous: I am grateful to my hon. Friend for making that point, and I will be coming to that subject. He is correct; at the moment, nuisance as such is not

[Peter Aldous]

something that enables one to take appropriate measures. It might be appropriate to change the law, and I will come to that point.

As I said, gulls make a distinctive, piercing sound, and in certain areas, people find that they can no longer keep their windows open on warm summer nights. During the breeding season, nesting birds have a tendency to dive-bomb people they perceive as a threat to their nests or offspring. That can be extremely alarming for the elderly and the young. In one incident, riggers putting up a TV aerial were attacked and had to return on another date to complete their work.

Richard Graham (Gloucester) (Con): I congratulate my hon. Friend on securing the debate and on raising an issue that has stretched many miles from the sea all the way up the Gloucester and Sharpness canal to the historic city of Gloucester, where seagulls are as much a pest as they are in his constituency. Does he agree that the only way to solve the problem of those birds almost of mass destruction is, on the one hand, for those of us who have tips to close them as fast as possible so that the gulls do not have access to a great food source and, on the other hand—the point made by my hon. Friend the Member for Cardiff North (Jonathan Evans)—that the Government need to consider whether they should authorise more action by councils to co-ordinate the clearing of gull nests?

Peter Aldous: I am grateful to my hon. Friend for raising that point; I am aware that the problem is acute in Gloucester. We need to look at a variety of measures and I will certainly raise the two points he mentioned.

People are no longer able to enjoy their homes; there is an added health risk and a negative knock-on effect on the saleability and value of houses. Why and how has the problem arisen? It appears that the situation has become significantly worse in the last five to six years. Residents who have lived in their homes for 32 and 52 years respectively have told me that until recent years there was not a significant problem.

There is a need for research to accurately establish the causes, although anecdotally and based on feedback I have received from around the country, I suggest there could be a variety of reasons. First, the decline of the fishing industry that has taken place in Lowestoft and around the British coast may have removed more traditional food sources, thereby forcing gulls to move inland in search of other forms of sustenance. Secondly, the availability of discarded fast food and overflowing waste may encourage birds to move into new areas. On the seafront in Lowestoft, feeding the seagulls may seem like a good idea, but one household now has them breeding on its roof and dive-bombing householders as they leave home. Thirdly, it is possible that the encroachment of traditional natural breeding habitats may have forced seagulls to look for alternative nesting-places. Indeed, off Waveney Drive, the presence of a now empty timber processing factory, with many thousands of square feet of roof, has provided an ideal breeding-ground.

Mike Weatherley (Hove) (Con): My hon. Friend makes powerful points about fisheries and so forth. In Brighton and Hove, we quite like seagulls. Indeed, their image adorns our wonderful new stadium. In relation to points made earlier about bins and destruction, we have changed some of the collection methods so that there is less destruction and less mess. In large numbers gulls can cause distress, but does my hon. Friend agree that a change in our behaviour can often alleviate the problem, and that is better than simply removing the seagulls?

Peter Aldous: I agree with that point, too. We have to look at ourselves as people as well as considering other forms of control.

In looking for solutions, there is no easy answer and no silver bullet. There is a need for more research so that we can obtain a better understanding of the ecology, biology and migrating habits of herring and black-headed gulls. We need a range of preventive measures. Where the problem is acute, there may be a need to consider additional means of controlling the gull population. I would be interested to know if any research has been carried out to find out what happens in other countries. Gull colonies can be very mobile. They move over a wide area stretching from the Atlantic coast in Portugal to Scandinavia and across to Siberia. By all accounts, the problem is not as acute in Norway and Sweden. We need to know why this is the case.

John Woodcock (Barrow and Furness) (Lab/Co-op): I add my congratulations to the hon. Gentleman on securing the debate. The menace also afflicts the people of Barrow and Furness up in Cumbria. On preventive measures, has the hon. Gentleman given serious consideration to whether gull contraceptives could be an effective way of limiting the burgeoning population in urban areas?

Peter Aldous: If the hon. Gentleman means by gull contraception something that deals with the eggs, I have considered that. If he has other proposals, it would be interesting to hear further details.

A variety of preventive measures is necessary, including regular litter-picking and road cleaning, the provision of gull-proof bins that are emptied regularly and discouraging the feeding of gulls—in some towns fines are being imposed. There is also a need, as we heard earlier, to reduce the amount of food waste and organic matter that goes to landfill sites. Commercial buildings that may be suitable for nesting and roosting should be proofed. When sites are redeveloped, preventive measures should be incorporated in redevelopment plans.

The wholesale culling of gulls is not an option and I do not advocate it. Quite apart from the logistics and questionable ethics, the European population of herring gulls is very mobile, and minor gains achieved by removing a local population will invariably be cancelled out by natural migration.

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): My hon. Friend has done well to secure this debate and he is making an excellent speech. My hon. Friend the Member for Hove (Mike Weatherley) is right to point out that it is not about wide-scale culling of gulls, but about individual responsibility when people discard their rubbish. In spite of that, particularly in seaside towns such as Lowestoft, Brighton and Hove, which have active night-time economies, people will still discard their rubbish in antisocial ways. No matter how

much we like or dislike it, there is an onus on councils to address that problem and ensure that rubbish and litter are collected in a timely manner to avoid the problems we are talking about.

Peter Aldous: I thank my hon. Friend for those observations. I agree that that is one of the ways forward that we should consider.

To address the very worst problems, where people's lives are being made a misery, consideration should be given to changing the existing licensing controls in the Wildlife and Countryside Act 1981 to allow owners of large sites where significant numbers of birds are causing, or are likely to cause, a legal nuisance, to apply for a licence to take measures to prevent or deter the colonisation of land in their occupational control. At present, someone cannot apply for a licence to deal with a nuisance. They can apply for a licence to prevent serious damage to agriculture, to preserve public health or air safety and to conserve other birds. Perhaps the Minister will tell us whether adding nuisance to that list is something that Department for Environment, Food and Rural Affairs has considered or will consider.

Consideration also needs to be given to legislation allowing local authorities to require land owners to take preventive or remedial action to deal with actual or likely noise, smell or other nuisance caused by gulls colonising land or structures in urban areas. The problem is not easy to solve. Indeed, there might be a temptation to put it to one side in the "too difficult" category, but that would be wrong. As we have heard, many thousands of people from all around the country are being affected, and we owe it to them to come up with a range of measures to make their lives more tolerable.

4.57 pm

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): I congratulate my hon. Friend the Member for Waveney (Peter Aldous) on securing this debate. I apologise on behalf of my hon. Friend the Minister with responsibility for the natural environment and fisheries. He would normally reply to this debate, but he is otherwise engaged. I am happy to stand in for him, especially as I was born and brought up in a seaside town lower down the Suffolk coast than Lowestoft, so I am familiar with the raucous cries of gulls.

I sympathise with my hon. Friend the Member for Hove (Mike Weatherley) because gulls are a major feature of seaside towns. As always, it is an issue of balance and getting the populations right. I recognise that high densities in urban or coastal areas can cause serious problems for the people who live and work there. Sensible and proportionate measures need to be taken to mitigate those problems. A range of measures are already available, including, where necessary, lethal control and the destruction of nests and eggs. Those measures are regularly employed across the country to manage our urban gulls.

My hon. Friend the Member for Waveney mentioned the problems in Beccles. I understand that those problems were managed at least in part by the removal of nests and by deterring the gulls, and that Natural England has worked with local residents to find ways of managing the gulls that have caused problems.

Before we consider management, we must look at the conservation status of gulls. They are wild birds to which we offer protection, and our obligation under the EU birds directive to conserve the wild bird population is fulfilled in the Wildlife and Countryside Act 1981.

UK breeding populations of herring gulls have declined by 72% since 1969, and winter populations by about 50% over the past 25 years. As a result, the herring gull is now a biodiversity action plan priority species, and has been red-listed as a bird of conservation concern—the answer to my hon. Friend's point about nuisance can probably be found in those statistics. Other gull species, including the great black-backed gull and—perhaps more importantly—the lesser black-backed gull, have also seen a decline in population, and although we sometimes see large numbers of gulls in certain areas, we may be forgiven for not realising that their conservation status may be under threat nationally. Although the population of some gull species has risen in urban areas, there has been a dramatic decline in the number of gulls found in their natural habitat.

I recognise the genuine concerns of my hon. Friend and other colleagues about gulls in their constituencies. Although the Wildlife and Countryside Act provides protection for all birds, it allows people to apply to Natural England for a licence to control problem bird species if there are no other satisfactory solutions—he saved me from having to read out the list of reasons that people can use to apply for such a licence. That licence would be granted on an individual basis, but some issues are covered under a general licence provided by Natural England that is available to anybody in the country and for which one does not need to apply—in theory, people are supposed to download information from the internet, but in reality culling is allowed under certain circumstances on the basis of the problems described by my hon. Friend. If someone believes that that general licence has been used for a different reason, the onus is on them to prosecute the case. That has happened in the past because these matters are not always easy; for example, if someone acts simply because they do not like gulls, they will clearly be breaching the terms of the general licence and be open to prosecution.

The general licence allows for the lethal control of the lesser black-backed gull where there is need to preserve public health and safety, or to prevent serious damage or the spread of disease. Many of the issues raised by my hon. Friend fall under those headings. Herring gulls have a more threatened status, but under the same general licences it is possible for an authorised person to remove and destroy their nests and eggs—I understand that that was one measure taken in Beccles. Licensed controls will therefore be necessary in some circumstances and, particularly in the breeding season, the removal of eggs and their replacement with dummy eggs—obviously under licence—can reduce the urban gull population if done for a long period. In the short term, such actions also reduce the likelihood of attacks from gulls.

Although licensed controls exist, they should not automatically be the first port of call and we should look at other measures to manage problems such as those to which my hon. Friend referred. There is no doubt that food supply is a major factor because gulls tend to increase in number and cause problems when

[Mr James Paice]

there is a readily available source of food, especially if that combines with suitable habitats such as timber sheds.

The licensed control of gulls can prove effective in the short term, but we must look at the issue more widely. Access to food is the single most important factor controlling the gull population, and if food is denied they will go elsewhere and the problem may be resolved without recourse to other measures. It is a matter for individuals and local authorities, and I urge all local authorities to address the problem by using gull-proof methods of waste disposal such as rubbish sacks or—probably better—bins, and by reducing access to local landfill sites. My hon. Friend the Member for Gloucester (Richard Graham) suggested closing tips, but that would simply shuffle the problem elsewhere. Although the Government eventually intend to phase out landfill sites altogether, proven methods of deterring gulls without having to close a site and inconvenience constituents include the use of fireworks, visual deterrents, netting in some circumstances, and birds of prey. There is no single solution, but some methods have been proven to work.

Local authorities—indeed, all of us—should try to avoid spilling foodstuffs or leaving material around, keep food storage areas secure and bird-proof and ensure that disposal and waste facilities are kept clean and tidy. They should also try to stop people feeding the birds. The use of deterrents on our buildings is familiar to all of us in the Chamber because we live surrounded by them. In London the problem is pigeons, but proofing buildings with netting, metal spikes and so on could also be a way to address the problems caused by gulls. The fundamental answer to the concerns raised by my hon. Friend the Member for Waveney, and many others, is that eliminating those things that attract gulls will reduce the problem. In other words, we should get rid of their feed and prevent them from using the facilities and buildings that they see as a habitat or nesting area.

In September, the Minister with responsibility for the natural environment met my right hon. Friend the Member for Bath (Mr Foster), who has taken a great interest in this subject, and they discussed the merits of further research into the behaviour and ecology of urban gulls. Research, both completed and ongoing, has been carried out into managing urban gulls, and the Food and Environment Research Agency has investigated the movements of urban gulls, focusing on their movements between urban centres and landfill sites. It has also undertaken work funded by the Landfill Communities Fund to develop practical guidelines about deterring gulls from landfill sites. Those guidelines are in use by the Environment Agency. Studies funded by airport interests and water utility companies have examined methods to deter gulls from roosting in those areas, and such methods have been properly applied.

My hon. Friend the Member for Waveney referred to reservoirs. That is a crucial issue, but one to which all measures that I have referred to can be applied. In addition, I am advised that hand-held laser torches—I think it says laser, although it could be taser; I am reading my notes out because I have difficulty believing this—have been used at reservoirs with some success. I will leave my hon. Friend to work out exactly how.

A PhD study is examining the use of egg control to limit local breeding production in gulls. The hon. Member for Barrow and Furness (John Woodcock), who referred to contraception, is not in his place, but hon. Members will be aware of the idea of using contraception to constrain populations of all sorts of wild species. In some places, that is used; in others, it is being researched. I do not know of any research relating to gulls, but clearly it is an interesting point and perhaps we should consider it. That said, I assume that the only way to administer the contraception would be in feed and we do not really want to feed the birds—that would be a double-edged sword.

I hope that my hon. Friend the Member for Waveney understands that there is a range of existing tools that can be used to manage gulls. Where there are issues of public health and safety, methods such as the removal of nests or eggs or of the gulls themselves—the lethal control of gulls—may be relevant.

At the meeting with my right hon. Friend the Member for Bath, the Minister undertook to consider whether there was merit in taking forward more research on urban gulls, and we are examining that now. We can consider further research to help us to develop a greater understanding of urban gull behaviour, but we want to ensure that any such work delivers practical solutions.

In the meantime, I repeat that it is, as several hon. Members have said, for us as individuals and particularly for local authorities to use the quite considerable range of tools available at the moment to tackle the conflicts to which my hon. Friend the Member for Waveney so eloquently referred. He has used the opportunity afforded by Westminster Hall to raise genuine local concerns. Clearly, the problem cannot be dealt with in a few days. It requires concerted action by the community and by local authorities, working together over a sustained period, to take away all the things that attracted the birds in the first place. That is the bottom line, and we need to make concerted efforts to do it.

I am grateful to my hon. Friend for raising the issue and, quite properly, raising constituency concerns, and for allowing me to give the Government's opinion. We have heard from other hon. Members, so clearly the issue is not unique to Lowestoft. I think that all of us have in some way witnessed the problems. I hope very much that what I have said is helpful to him and to his constituents and that sooner or later they will be able to sleep at night.

Sir Alan Meale (in the Chair): Congratulations to the hon. Member for Waveney (Peter Aldous), to the Minister and to all the other hon. Members who have participated in what has been a most informative debate.

Question put and agreed to.

5.10 pm

Sitting adjourned.

Westminster Hall

Thursday 27 October 2011

[Mr Clive Betts *in the Chair*]

BACKBENCH BUSINESS

NHS Care of Older People

Motion made, and Question proposed, That the sitting be now adjourned.—*(Paul Burstow.)*

2.30 pm

Margot James (Stourbridge) (Con): It is a pleasure to serve under your chairmanship this afternoon, Mr Betts. I thank the Backbench Business Committee for allowing us to have the debate this afternoon, and I am grateful to colleagues on both sides of the divide for supporting it. I look forward to hearing the views of other people who have a great interest in the subject.

We are here because of troubling reports about the care of older people in the NHS. I was prompted to confine our debate to the NHS by the report from the Care Quality Commission two weeks ago, which studied 100 NHS hospitals. The report was by no means an isolated study; it came on the heels of the ombudsman's report in February and Age UK's "Care in Crisis" report in May.

That we have a worrying problem is beyond doubt, but I hope to bring a balanced view to the debate. It is important to note that even when reports give cause for serious concern, there are significantly more examples of good and acceptable care than there are of bad. Indeed, the ombudsman's report stated that the overwhelming majority of patients say they receive good care. I will return to the balanced view that I promised, but first I will outline the concerns raised by the latest findings of the CQC.

The Secretary of State commissioned the CQC to undertake a series of unannounced inspections in response to the ombudsman's report. The inspections focused on outcomes, interviews with patients and staff, and observation on the wards. Two outcomes were measured: respecting and involving people who use services, which includes care, dignity and respect for privacy, and meeting nutritional needs. Forty-five of the 100 hospitals met both standards in full; 35 met both standards but needed some improvement, and 20 were not even delivering care that met minimum legal standards. Of those 20, Sandwell General hospital and the Alexandra hospital in Worcestershire—both quite near my own constituency—were found to be putting patients at unacceptable risk of harm.

If we look in more detail, we see that 60 of the hospitals were found to be meeting a good standard in respecting the dignity and privacy of patients on both the wards observed by the CQC. Staff behaved in a way that respected patients; they were positive, sensitive and respectful; they involved patients in decision making and explained treatment options properly. Where there were problems on this measure in the other 40 hospitals surveyed, not one of the hospitals was found to be failing on both the wards observed. It is noteworthy that the report found a large degree of variation in practice, and I will return to what I think that says about management and leadership later.

On the nutrition outcome measure, 17 hospitals were failing to reach an acceptable standard. Patients in need of assistance at mealtimes were not getting help; food was placed out of reach; there was no monitoring of whether patients had eaten their meal and there were constant interruptions during mealtimes. For example, a clinical round would suddenly start during lunchtime. Age UK's report, "Still Hungry to Be Heard", found that 157,000 people left hospital malnourished in 2008, and that the figure had increased to 185,000 in 2009. Astonishingly, 239 patients died from malnutrition in 2007.

New research published last month found that across the NHS, 9 million meals are returned uneaten per year at a cost of £22 million. One of the problems is whether we can serve three appetising meals of decent nutritional value for less than £5 per patient, which is what my own local hospital budgets for. I would say that we cannot.

As I see it from the two reports, when the scale of the problem is considered across the entire older population who are being cared for in our hospitals, it is not as great as is often reported by the media in the immediate aftermath of yet another report. However, for the older patient on the end of the worst care, it amounts to cruelty and neglect by staff.

Andrew George (St Ives) (LD): My hon. Friend makes a very good case. On the key findings of the CQC report, which the media seem to report as a failure of nursing when the bulk of them are really issues of care, will she also cover the issue of the resources that appear to be going into hospital wards, particularly with the increasing acuity and turnaround of patients, and nursing and care staff to patient ratios, which appear to be on the edge in many cases?

Margot James: I thank my hon. Friend for making a very good point. I will return to the resourcing issue. I do not have statistics on the staff to patient ratio, but it is noticeable that it is much better in paediatric wards than in wards with large numbers of older people. Perhaps we can learn from that.

I was talking about cruelty and neglect. Staff are paid to care in institutions that are for the most part monopoly public services; the patient has no choice but to be there. In Age UK's 2010 research, 21% of patients said they were not always treated with dignity and respect, and there has been no improvement in that figure since 2002. The figure is fairly consistent with the CQC findings and it seems to be consistent with other reports. It leads me to think that the problem we must address is twofold: first, the overall figure of one in five being essentially ignored—or worse—in our hospitals is simply too high, and secondly—the worst aspect—nothing ever changes that figure. Despite all the reports and information, nothing actually changes that figure.

Care is failing one in five of our older patients two or three times a year. The new research confirms that failure, but no effective action is taken to remedy it or to reduce the problem. I hope that as a result of our collective ongoing efforts, we will finally make a significant impact on the problem. It is likely that one of the reasons for the inaction that has persisted for a decade or more has its roots in a wrong or partial diagnosis of

[Margot James]

the causes of the problem, so I will turn to the various causes that have been advanced by research and informed commentators on this state of affairs.

The causes that I have read about can be grouped under the following headings: leadership, management, resourcing, training and what I loosely call societal. The leadership of individual hospitals such as Stafford—to take the worst example—sets out daily through a series of explicit and subliminal messaging what it is important for staff to deliver in that institution. At most, the focus from the top will resonate further down the line in only one or two areas. Staff know, either consciously or unconsciously, that if they deliver on one or two variables, they will not be seriously picked up for partial or non-delivery elsewhere. That is the same in any large organisation. Often, the overriding concern at the top in NHS hospitals is about meeting financial targets, just as it was in Stafford. In other cases, rigidly applied clinical outcomes might bear little relation to how a patient is treated by staff before and after their care or surgery.

Leadership does not come only from the chief executive and key board members. I served on the board of an NHS trust that was answerable, in a mechanistic, command-and-control way, to the Department of Health, which in turn was accountable to the Secretary of State—I am going back 10 or 12 years. Political pressures on a Secretary of State are principally financial, but they also concern global outcomes in politically sensitive areas such as cancer. The day-to-day treatment of patients is often delegated to a regulatory quango, but irrespective of the party in power, the Secretary of State will survive the occasional embarrassment and discomfort caused by yet another report. That explains the extraordinary situation whereby the care problems at the James Paget University hospital in East Anglia were serious enough to warrant a warning notice from the Care Quality Commission, but nurse training at the same hospital was well rated by the Nursing and Midwifery Council.

Although overall management and culture is set by the board, the main divide between good and bad management depends on the effective deployment of resources, the motivation and discipline of staff, and the systems for gathering customer—or patient—intelligence. The CQC noted that in some wards, levels of under-resourcing made poor care more likely—the point raised by my hon. Friend the Member for St Ives (Andrew George). Patients commented to the CQC about how hard pressed the nurses seemed, and that was confirmed by comments about the report by nurses writing on blogs. Even allowing for a certain amount of, "They would say that wouldn't they?", some of the remarks seemed heartfelt and genuine.

Interestingly, however, none of the hospitals where care was found to be poor was found wanting in all the wards inspected. Unacceptable levels of care were seen on well-resourced wards, and excellent care was found on wards that were understaffed. That indicates that the issue has more to do with ward leadership and the personalities and values of nurses in leadership roles than with the overall budget at the disposal of hospitals where problems were encountered.

Andrew George: I am not sure that I draw the same conclusion as my hon. Friend. She suggests that resourcing is not particularly relevant when considering the quality of care achieved, but surely she accepts that the situation is far better, and high levels of care more likely, when resources are adequate.

Margot James: I agree that care is more likely to be good when resources are adequate, but poor care has been observed on wards that the CQC regarded as well resourced. I do not draw a neat and fast conclusion, and having worked in business for many years I accept that resourcing is important. It is difficult to generalise from the available research, but I take my hon. Friend's point.

On nurse training, the CQC found that half of hospitals were ailing in the areas of privacy and dignity; staff had little training in matters of privacy, dignity, rehabilitation and dementia. Training, and the lack thereof, is a symptom of the growing and unregulated use of health care assistants. In a report out today, the Royal College of Nursing states that in some parts of the country, 40% of staff on a ward are health care assistants. I will return to that point.

Another important issue is the general training of nurses. Consensus seems to suggest that although Project 2000 brought benefits to nursing status and career paths, the effect on care has been less positive. Earlier this year, Camilla Cavendish, a journalist from *The Times*, undertook extensive research across the country. Her observations suggest that Project 2000, which moved training from hospitals to universities and gave it degree status, has led to nurses spending too little time on wards during their training, and they are under-prepared to deal with patients when they graduate. Project 2000 has also led to gaps on wards, which have been filled by health care assistants. Such assistants are supposed to be supervised by nurses, but although I have no evidence either way, I wonder whether nurses have the training for such supervision.

Patients often think that health care assistants are nurses, and it is not always easy to distinguish the two posts. Health care assistants, however, have almost no training and perform non-medical tasks such as providing help with feeding and washing. I am sure there is a degree of mission creep into areas that require some form of training, and I shall return to that point. Perhaps it is no wonder that many nurses feel that certain aspects of caring are menial work.

Andrew George: My hon. Friend suggests that nurses see caring as menial, but that is not an observation I would make. I had the opportunity to shadow nurses in four wards, and they told me that they wished they had more time to perform a caring role in addition to their clinical duties. Such a role would fulfil the observational function that nurses are trained to perform in order to continually assess a patient and review their diagnosis. That nurses believe themselves to be above a caring function is not a conclusion that I would draw, and I believe that it besmirches the professional standing and pride felt by a lot of nurses.

Margot James: My hon. Friend makes some good points. Camilla Cavendish visited hospitals across the country as part of her research and spoke to many patients and nurses, and the view I have mentioned was expressed not only by patients but by nurses. I am sure that such cases are in a minority, and I certainly do not intend to besmirch the good reputation of the majority

of nurses. However, the research leads me to believe that a minority of nurses either do not have time for care or feel that although care is not beneath them, it should be carried out by staff at a different level. That is a legitimate view and has been expressed in a variety of nursing journals and other forms of media by retired nurses who have visited hospitals. My hon. Friend should not dismiss that element of concern, and I emphatically do not wish to besmirch the reputation of our many good nurses. However, when we read in the CQC report about the problems engendered by the very poor care that some patients receive, we realise that we cannot afford to dismiss any of the conclusions reached by people who have done a lot of research.

I want to move on to some societal observations. The ever-increasing use of scientific and technological advances brings many benefits, but it also creates a work environment that requires nurses to concentrate on aspects of treatment and care that isolate them from the patients whom they are serving. The workplace in general outside hospitals is becoming more mobile. People connect with one another far more via devices of various sorts. That presents a risk to the caring professions that needs managing.

Then there is the issue of the pool of talent from which nurses and other caregivers are drawn. This summer saw an explosion of violence, avarice and selfishness on our streets on a major scale. Although work is ongoing to identify the cause of that phenomenon, it is clear to many of us that the fault lines in our social fabric are every bit as wide and deep as suggested by the research undertaken by my right hon. Friend the Secretary of State for Work and Pensions, before he came into government. These incidents affect all walks of life. Much more could be said on that point, but I do not intend to elaborate on it now. For the purposes of this debate, the implication is that nurses are as much a reflection of modern Britain, with its drawbacks—a society in which a significant minority seem to be more aware of their rights than their responsibilities—as well as its strengths.

Likewise, patients and their families reflect society. Melanie Reid, a columnist for *The Times*, spent a year in a spinal injuries unit following a tragic accident. She wrote an excellent piece on the nursing debate three weeks ago. She said:

"If you want to change nursing, you have to change society. You also have to change the patients. Today's sick are...not deferential sufferers in silence. They and their relatives can be aggressive and unreasonable.

Everyone's a professional complainer. During my spell in hospital, I saw some patients whom, had I been forced to cope with their constant demands, I would have smothered at dawn. Instead, the staff treated these people with civility and good humour."

I shall turn now to some conclusions and recommendations. I shall conclude with what I think needs to change and I hope that the list of areas to which I refer will provide a platform for further consideration by the Government. I note that the Government are already making positive changes in some of the areas, and that is welcome. My priorities for change would centre on the importance of food and nutrition in hospitals and the standards in that respect; the accountability of boards and chief executives for the care of patients; resource allocation; the inspection regime; hospital complaints procedures; and nurse and health care assistant training.

Alison McGovern (Wirral South) (Lab): The hon. Lady's final point before she reached her conclusions and recommendations made some quite clear criticisms of the values in society. Will she add to that list how she would like the values in society to improve?

Margot James: I welcome that intervention because whenever one is preparing for a debate such as this, one is conscious of how much more there is to say than one has time for. I was not intending to draw too many conclusions on what needs to change in society. I was concentrating on what needs to change in the domain that we are discussing, but perhaps the hon. Lady would care to call for a debate on the topic to which she has referred. I am sure that we could fill an afternoon with such a discussion and I should be delighted to take part.

Neil Carmichael (Stroud) (Con): One matter that needs to be thought about carefully in this debate if not elsewhere is, of course, the integration of the NHS and social care, because that will help the process along and deal with many of the issues to which my hon. Friend is referring.

Margot James: I thank my hon. Friend. That is a very good point. The integration of health and social care should, with the weight of joint commissioning behind it, make quite a difference. My speech has concentrated on care in hospitals, but I hope that other hon. Members will bring out issues to do with care at home and other aspects of what the NHS delivers.

I shall go through my list of recommendations briefly. On nutrition, the Age UK report, "Still Hungry to Be Heard", advocated that ward staff needed to be "food-aware". Training should include nutrition and the importance of assistance with meals when needed. I agree with these recommendations. Older people should be assessed for signs of malnourishment on admission, during their stay and on discharge. Hospitals should introduce protected mealtimes. Where they are using a red tray system, which involves a red tray being given to patients who require assistance with eating, staff should be trained in how to use it. It sounds as though that system works well where it is used properly.

Alison McGovern: I thank the hon. Lady for her generosity in giving way to me again. Does she question, as I do, the red tray system, in that if nurses and nursing staff understand the needs of a person, surely they should understand what their nutritional assistance needs are without the use of a red tray? Surely they should know patients well enough already. Is that not a question that we should ask?

Margot James: I thank the hon. Lady for her excellent point. In an ideal world, I would strongly agree with her. I agree that what she has suggested is to be desired. The trouble with relying on that is that the throughput of patients through wards these days is quite fast, the rostering system for nurses is very complicated and the continuity of care is certainly not as good as it used to be. Many nurses work intensively for a week and then have a substantial amount of time not working. Therefore the personal relationship, which is so desirable, has been compromised to the extent that we can no longer rely on it to ensure that patients' nutritional needs are met.

[Margot James]

That is why I believe that the red tray system is useful. However, I am very concerned that people could easily think, "Oh well, that sorts the problem out," and not feel that they need to relate to the patient in the way that the hon. Lady suggests.

I come now to accountability. I realise that this is not something that the Government can mandate, but chief executives should come on to the wards regularly—every day that they are in work. Nurses used to be accountable to a matron, who would turn up unannounced to check on standards. We must replicate that discipline again, and I recommend starting at the top.

Managers need to ensure that budgets are used wisely to support front-line staff and that front-line staff are not distracted by other, non-patient-care "priorities". I looked at nurse blogs when I was preparing my speech and I sympathised with one nurse who said that nurses are

"at the beck and call of so many departments who wish to give work away and have no qualms in 'getting the nurses to do it'. Loan stores, training, HR, to mention a few who seem to have forgotten that their role is to support us—not the other way around."

I have sympathy with busy nurses who are pulled in all directions.

Andrew George: I am grateful to my hon. Friend for giving way to me a fourth time, which shows how patient she is with me. Quite apart from falling into the trap of conflating care with nursing in some of her remarks—she did make the point about needing to ensure that there is a clear distinction between care assistants and nurses—does she not also agree that in terms of the management on wards, a lot of nursing time is taken away from the patient interface as a result of the enormous amount of bureaucracy and paperwork required and the pressure that many nurses come under from bed managers, who appear to overrule them when it comes to determining when a patient should be discharged or admitted to a ward?

Margot James: I thank my hon. Friend for his observation, and I certainly agreed with the first point he made. I shall conclude in a minute as I am aware that many Members wish to speak.

The CQC should be resourced to ensure that its inspections include weekend visits. All the observations it makes in its recently published report were based on visits it paid during the week—for cost reasons, I imagine—but I was delighted to hear the Secretary of State announce yesterday that there will be more inspections. I hope, however, that the Minister will discuss with the CQC the possibility of visits being paid at weekends, when—I hear—care can sometimes deteriorate rapidly.

Some complaints are very serious, and I am not commenting on serious medical negligence, but with many complaints the system comes over as a sledgehammer to crack a nut. A patient or family member should be able to make an informal, non-legalistic and reasonable complaint and receive a sensitive hearing from a senior member of staff, rather than be instantly given a form that starts a three-week process of churning and often ends in Members' surgeries. I ask the Minister to discuss with the Justice Department how we enable that but avoid opening the hospital to legal challenge, which is one of the motivators to the heavy-handed system we have at present.

We must be able to distinguish between the training needs of nurses and health care assistants.

Andrea Leadsom (South Northamptonshire) (Con): It seems that the nursing profession lacks some accountability. What does my hon. Friend think about the idea of bringing back matrons, who are visible on the ward and who manage nurses?

Margot James: I thank my hon. Friend for that intervention, and I am attracted to that good idea. Somebody must be in charge of the ward—a nurse manager or a matron. Although that happens in the best wards, it is not universal.

We must look at the training of health care assistants, who increasingly perform sensitive, caring roles; the system cannot be left as informal as it is at present. There must be minimum standards and training. We know that there is pressure to register health care assistants. I am not sure that that is necessary, but training and minimum standards certainly are.

I challenge where Project 2000 has got us. Nurse training could remain at degree level but follow a more apprenticeship-based model. I ask the Minister to meet the Nursing and Midwifery Council to discuss how the nursing degree can learn from the apprenticeship model so that far more time is spent on the ward, alongside the academic study that has brought such benefits.

There is much more to be said, and I look forward to hearing from other hon. Members and learning from their contributions. I thank the many organisations that have been in touch with me and helped with my research since I secured the debate last week.

Several hon. Members *rose—*

Mr Clive Betts (in the Chair): Order. There are slightly under two hours before the winding-up speeches start, so if Members take no more than about 10 minutes they should all be called.

3.4 pm

Barbara Keeley (Worsley and Eccles South) (Lab): It is a pleasure to speak in the debate when you, Mr Betts, are in the Chair.

The full title of our debate is "NHS Care of Older People", and the fact that that distinction is made shows that there is an issue in the care of older people by the NHS that needs to be discussed. It is right, therefore, that we are debating this matter today and I congratulate the hon. Member for Stourbridge (Margot James) on securing this debate and on the way in which she opened it.

A number of reports made to Parliament this year on the failings of NHS care of older people have shocked us. The health service ombudsman, Ann Abraham, reported in February on a

"picture of NHS provision that is failing to respond to the needs of older people with care and compassion, and to provide even the most basic standards of care".

Her report told the stories of 10 people over 65—partners, parents and grandparents: individuals who put up with

difficult circumstances and did not like to make a fuss, compared with those who, as we have heard, were difficult—who wanted to be cared for properly and, at the end of their lives, to die peacefully and with dignity. Ann Abraham tells us that what the people involved have in common is their experience of unnecessary pain, indignity and distress while in the care of the NHS.

The second of the 10 stories is that of Mr D, and it particularly focuses on the last five days of his life. He was admitted four weeks earlier with a suspected heart attack but after tests was diagnosed with advanced stomach cancer. He was to be discharged from hospital on the Tuesday after the August bank holiday weekend, but it was brought forward to the Saturday. The summary of the story in the report is harrowing. The discharge of, we must remember, a man with only a few days to live was a shambles. The report goes on:

"On the day of discharge…the family arrived to find Mr D in a distressed condition behind drawn curtains in a chair. He had been waiting for several hours to go home. He was in pain, desperate to go to the toilet and unable to ask for help because he was so dehydrated he could not speak properly or swallow. His daughter told us that 'his tongue was like a piece of dried leather'. The emergency button had been placed beyond his reach. His drip had been removed and the bag of fluid had fallen and had leaked all over the floor making his feet wet. When the family asked for help to put Mr D on the commode he had 'squealed…' with pain. An ambulance booked to take him home in the morning had not arrived and at 2.30 pm the family decided to take him home in their car. This was achieved with great difficulty and discomfort for Mr D.

On arriving home, his family found that Mr D had not been given enough painkillers for the bank holiday weekend. He had been given two bottles of Oramorph (morphine in an oral solution), insufficient for three days, and not suitable as by this time he was unable to swallow. Consequently, the family spent much of the weekend driving round trying to get prescription forms signed, and permission for District Nurses to administer morphine in injectable form. Mr D died, three days after he was discharged, on the following Tuesday. His daughter described her extreme distress and the stress of trying to get his medication, fearing that he might die before she returned home. She also lost time she had hoped to spend with him over those last few days."

The summary of this case sounds terrible, but the detail was much worse. The family were my constituents and I supported the family's complaint after meeting Mr D's daughter. Every aspect of this case showed the NHS in a very negative light.

Let me give a summary of the detail in Mr D's case, as reported to the ombudsman. Mr D was not helped to use a commode and fainted, soiling himself in the process. He was not properly cleaned and his clothes were not changed until the family requested that the following day. The ward was dirty, including a squashed insect on the wall throughout his stay and nail clippings under the bed. He was left without access to drinking water or a clean glass. His pain was not controlled and medication was delayed, sometimes by up to one and a half hours. Pressure sores were allowed to develop. No check was made on his nutrition. His medical condition—the fact that his illness was terminal and that he had only a few days left—was never properly explained to his family. He was told of his diagnosis on an open ward, overheard by other patients.

I spoke about this case in a debate about the NHS Redress Bill, and I agree with the comments that the hon. Member for Stourbridge made about accountability. Where was the accountability in this hospital? Where was the ward manager or matron figure who was letting these things happen?

At this point, Mr D's daughter, a constituent, came to me for help. She desperately needed an answer and an explanation of what had happened. As her MP, I felt the hospital needed to admit its errors and take measures to ensure that what happened to that patient did not happen to anyone else. Regrettably, in the months that followed, the hospital seemed unable to do that. In fact, the dreadful failures in care and communication were made worse by the inadequate way the hospital dealt with my constituent's complaints, as I reported to the House in that earlier debate.

After raising her complaint with the hospital, my constituent found that responses from it were not sent in keeping with agreed time scales and often took three or four weeks longer than it had promised. Copies of responses from the hospital were never sent to me, and I had to chase every single one of those responses, which were often inadequate. That was the worst thing for this bereaved family, because the delayed answers and prevarication from those investigating the complaints left the family feeling more angry and upset. Their anger was originally due to what they perceived as delays in diagnosing Mr D's terminal condition and the poor treatment and care he received, but the whole thing became worse because of the way the case was handled.

The complaints the ombudsman's report details are very serious, and I am talking about just one. In making their complaint, the family know that nothing can bring back their loved one—their father—or change the way he was treated, and families often tell us that. However, the family desperately want explanations and an apology, and they desperately want to ensure that no other parent is treated the same way.

Sarah Newton (Truro and Falmouth) (Con): The hon. Lady is making an incredibly moving speech. I pay great homage to the work Ann Abraham has done in her role as ombudsman, and yet another fantastic report came out last week about the complaints procedure. Does the hon. Lady agree with the recommendation in that report that there should be far greater partnership working with organisations such as the Care Quality Commission? Does she agree that the Government could take steps in response to the findings of the consultation they have just held on the information revolution? Such measures would really help improve the complaints procedure, which would drive up standards of care.

Barbara Keeley: Yes, indeed. We discussed those issues in relation to the NHS Redress Bill. The difficulty we have with the most extreme cases, as I am describing in relation to my constituent, is that the medical establishment seems to close up when facing such complaints, and people become fearful that they will be sued and have problems in their careers. We must remove that way of handling such awful cases, because it is just not acceptable.

Like every MP, I understand that the Government cannot manage every consultant and every ward to make sure such things do not happen. However, they do happen, and there are many more cases than the 10 the ombudsman reports on. We must bring about a change of culture to allow for an acknowledgement of the fact that there must be better redress than there was in this case when a whole system of care and treatment fails a patient and his family, and when standards of professional

[Barbara Keeley]

practice and communication fall. The MP and the family should not have to battle the complaints system and eventually take their case to the ombudsman because only the ombudsman can ever make a hospital do what it should have done in the first place.

The family were looking for an acknowledgement, an explanation and an apology, and they wanted to make sure that these things did not happen again. It is very reasonable that they should expect that.

Sarah Newton: The hon. Lady is making an incredibly important point about how complaints are handled in the NHS. In highly effective organisations, complaints are considered to be gold dust, because they are part of how those organisations drive up standards and improve services. That benefits not only the patients, but staff. It is so demotivating if staff working on poorly managed wards, or in the NHS more generally, raise complaints, even through protected disclosures, and nothing happens. That can cause them stress and great personal harm.

Barbara Keeley: Indeed. I do not distance myself in any way from the excellent point the hon. Member for Stourbridge made in opening the debate: this is about leadership, management, training and accountability, all of which failed in the case I have outlined.

Andrew George: The hon. Lady is making a strong case. On the point about whistleblowing, or protected disclosure, her own research may have shown that when a nurse, for example, suggests to senior management that there is a resource problem on a ward, that does not necessarily enhance their likelihood of improving their job prospects in the hospital. Often, they are told, "Other members of staff seem to manage, so why don't you?" Does the hon. Lady agree that we need to look at how whistleblowing can be done safely?

Mr Clive Betts (in the Chair): Order. A lot of people clearly want to speak, and I do not want to stop or discourage interventions, but if they are made could they be brief and to the point so that we can keep things flowing?

Barbara Keeley: It is clear that what I said about culture must apply right through to things such as whistleblowing. It is a sad aspect of this case that none of the people involved with Mr D's care or with dealing with the complaint could even rescue the situation by handling the complaint reasonably.

I understand, and we must be clear, that this case represents the NHS at its worst, but it did happen, and it happened to my constituent. I have never had a case as bad as this one again, but I have had others that have given me cause for concern, and I am currently pursuing cases with similarly bad aspects on behalf of constituents. Sometimes, however, there are cases where everything goes wrong and all the problems I have mentioned come together.

MPs' interventions and the intervention of the ombudsman can remedy the injustice of such inadequate treatment to some extent, but we must accept that it is not possible even for such interventions, much though our constituents are grateful for them, to overcome the distress and anguish experienced by families such as my constituents. However, a swift apology would have helped, and we must have a system whereby an apology can be made swiftly, because that never happens.

The ombudsman talked about the need to listen to older people and to take account of feedback from families. One of my conclusions from having looked at this case is that it took many months—in fact, years—to get to the point where the family were anything like happy with the response to their complaint, and that made things worse.

I felt it was important to outline a case I had personal experience of, and there has not been time to touch on much else, but there are many things that could improve this situation. In the briefing for the debate, I was heartened to see a note from the Women's Royal Voluntary Service describing ward support services it is setting up for older people, which is a wonderful idea. It wants to improve the experience of older people by using trained volunteers to support them and their families and carers. That would include training in dementia, which could be important.

Hospital support for carers is also important. The Princess Royal Trust for Carers has a carers centre in Salford, which the Minister knows, because he has met some of its staff. The centre has developed strong relationships with primary and secondary health care and works closely with Salford Royal hospital, which does excellent work—it is not the hospital I was talking about earlier; that was a different hospital. The centre supports carers in the hospital and on important issues around discharge. How could the discharge I described have happened if people had been there—even volunteers and people from a carers centre—to help the family? Such initiatives can help.

Developing awareness of family carers on hospital wards and giving them support might help to head off, or somehow deal with, dreadful situations such as the one I have described. NHS care is important, but it is important that we understand that it does not end when a person leaves hospital, particularly if they are terminal patients going home to die.

I hope the debate contributes to the improvement of NHS care for older people. As a Member of Parliament, I would never want to see another case like the one I have described.

3.19 pm

Dr Thérèse Coffey (Suffolk Coastal) (Con): It is a pleasure to serve under your chairmanship, Mr Betts. I congratulate my hon. Friend the Member for Stourbridge (Margot James) on securing the debate through the Backbench Business Committee, and all hon. Members who supported the call for it—as I did.

I do not pretend to be a health care professional, even though I use the title "Dr". Nor do I profess expertise in that area. However, the care given to those older people who need it—I tend to use the word "elderly", although it may not be politically correct—is important. Usually, the start and end of life is when we use NHS care the most, and those people should be given the best care possible. We should make sure failures are dealt with, and we should speak up about them in Parliament.

Given the time constraints, I had thought of spending a little time on talking about the terminally ill. Hon. Members may know that I have introduced a ten-minute

rule Bill on the provision of hydration and nutrition. We have also had Westminster Hall debates about palliative care in eastern England, and I recognise the valuable work that is done. However, it is right to focus on the Care Quality Commission report and individual hospitals, so that our constituents know we are speaking up for them, and so that their voice is heard in Parliament.

My hon. Friend the Member for Stourbridge went into great detail about the CQC report, and the hon. Member for Worsley and Eccles South (Barbara Keeley) went into detail on a particular case. The view of representatives of the Royal College of Nursing, given in informal discussions, about evidence given or sentiments expressed in submissions to the Francis inquiry, was telling. There was concern about leadership and about how people would be treated if they stood up and spoke up for patients—that they would be ignored, or, worse, demoted. I am sure that that shocked the nursing profession and other people, and I recognise that attempts are being made to deal with that, so I do not mean to be condemnatory.

My constituency has the 15th highest proportion of pensioners. Some 55% of my constituents are over 55, so the issue we are discussing is important there. The constituency also covers two primary care trusts—NHS Suffolk, and Great Yarmouth and Waveney—and we have three hospitals that provide care. They are the Norfolk and Norwich university hospital, Ipswich hospital and James Paget university hospital. I am afraid that two of those were on the list of failing hospitals and, understandably, local residents were very upset. That is reflected in the number of complaints made to me, or copied to me, about people's experiences when they are trying to get care.

As to Ipswich, after the first failure, I and my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter) met the chairman and director of nursing. I was impressed straight away that the director of nursing recognised absolutely that there had been failings. That recognition and acceptance of failings was important to me. The suggestion was made at the time that not all the staff accepted, initially, that there were failings, and that the feedback was met with an element of rejection. However, every member of staff quickly recognised that things had to change.

An action plan of changes and improvements to local ward leadership was set out, and fresh training was provided. A high focus was put on that, including additional support for patients with dementia. The hospital was inspected on a second occasion and, although the report has not yet been formally issued, I understand that it will pass—it should be congratulated on that—that a marked improvement was noted and that patient satisfaction was much higher.

Neil Carmichael: It is worth distinguishing between acute and community hospitals. That would inform the debate, because, obviously, chronic and non-chronic conditions are different. It would be helpful to know which hospitals are which, and whether that will help us to think about the subject.

Dr Coffey: Ipswich hospital is a district general hospital, if that helps my hon. Friend. It provides acute care, and is not just focused on community care. I want to say thank you and well done to the director of nursing and all the medical teams at the hospital for the changes they have made.

In contrast, James Paget hospital, in the constituency of my hon. Friend the Member for Great Yarmouth (Brandon Lewis), has failed a second inspection. The second report showed improvements, but not consistent improvements. There were still minor concerns in several areas, and continued moderate concerns on meeting nutritional needs and the management of medicines. The second report is complimentary about staff and training, and, as my hon. Friend the Member for Stourbridge has already mentioned, the hospital was cited in a Nursing and Midwifery Council report as having good training levels. To reinforce that point, the CQC suggested that patients' needs were generally met. At times it was possible that not all the staff were available or deployed in the most effective way, but generally patients had the staffing appropriate to their needs. The third inspection has taken place. Its outcome is not yet formally known, and the hospital has not received the draft report, but I have not heard positive vibes so far.

As to my interaction with the leadership, I must say at the outset that I recognise that it was limited. My hon. Friends the Members for Waveney (Peter Aldous) and for Great Yarmouth have taken a much greater role, because a relatively small number of patients from my constituency go to the hospital in question. After the first inspection, however, I was assured that the failures were just a blip, and that things were already under way. Doubt was cast on the quality of the inspection carried out by the CQC—that was said to me by the chairman of the hospital trust. I did not accept that, because those CQC inspections are intended to be a snapshot and to take a view. Frankly, if one patient experiences bad care, that is an automatic failure. I think that hon. Members would recognise that.

I was reassured, however, by the expectation of changes, which were under way; but, as I have mentioned, the second inspection continued to find failings in dealings with older patients. I did not meet the hospital manager and chairman after the inspection, but my colleagues did and I was not reassured by the report of that meeting. Yet again it seemed that doubt was being cast on the validity of the CQC inspection by the chairman of the trust—though not, I understand, by the chief executive.

We three MPs have together agreed a course of action to press the hospital on its improvements for our constituents, and it has responded. As I said, a third inspection has been held, and I am highly concerned that a third failure will be reported. Monitor has now issued a red governance rating, which I believe is automatic, but I understand that it has also had conversations with the leadership. I have received copies of constituents' complaints, and seen a whistleblowing letter from GPs from the consortium Health East. The letter says:

> "As a group of concerned GPs we have been forced to pursue this whistle blowing option, because we are concerned that our new GP consortium 'Health East' may fail to be successful due to the failings of our main, acute provider the James Paget University Hospitals NHS Foundation Trust.
>
> Health East will be depending on the Trust to provide the acute care for most of our patients and we have lost confidence in the ability of its leadership to correct its current failings. Please act quickly before we have yet another Mid Staffs on our hands."

[Dr Thérèse Coffey]

It ends:

"We apologise once again for having to take this whistle blowing option, but we need you to put pressure on appropriate organisations to put the issues right before our patients suffer."

I do not suggest that someone going into the hospital will automatically suffer poor care, but that is the reaction of GPs who are expected to work with patients to ensure that they receive the best care.

In the circumstances, it is my role to press the leadership of the James Paget hospital on constituents' behalf. In particular, the chairman of the hospital trust should consider his position. I appreciate that the financial risk at the hospital is low, and that that may reflect good financial governance, but patient care is key. The chairman has provided useful leadership, but—after two failed care inspections and with the possibility of a third—it is time for him to step aside and allow new leadership to come forward.

I will apologise to the chairman of the trust, because although I sent him a communication about what I would say in this debate, I could not speak to him personally. I should also say that I do not make my suggestion on behalf of my hon. Friends the Members for Waveney—who is in his place—and for Great Yarmouth. I do not make such a call lightly, but there is concern that patients may be reluctant to go to that hospital. Perhaps that is not a widely-experienced feeling, but often people worry about going to a particular hospital because of the perception of concern. We cannot afford that, and must not stand quietly by without expressing a view.

I have spoken for 10 minutes and understand that others want to speak. There are other issues, such as community care and confidence in that. My hon. Friend the Member for Central Suffolk and North Ipswich and others, including myself, have pressed the case about ambulance services and response times. Some of our constituents live more than an hour from the nearest hospital, so concerns about failure to respond within the eight-minute target are appropriate. I am meeting Ministers another time to discuss that matter.

I do not make the request that I made about the James Paget hospital in Parliament lightly, but I believe that it is necessary for the safety, well-being and protection of patients in Suffolk Coastal.

3.30 pm

Nick Smith (Blaenau Gwent) (Lab): I congratulate the hon. Member for Stourbridge (Margot James) on securing this debate and on her thoughtful contribution. Other hon. Members have also shown great insight in their representations.

Like others, I was sickened by the reports that we received from the Care Quality Commission earlier this month about the treatment of elderly people in the NHS in England. Unfortunately, we are now receiving a catalogue of such reports. In March, the older people's commissioner in Wales told us that the treatment of some older people in Welsh hospitals is "shamefully inadequate". The commissioner found instances of people not being helped to the toilet, poor communication and inadequate attention to patients' need for food and drink.

One son reported how his mother begged for water after an intravenous drip was removed. Elderly patients in a Cardiff hospital day room were given tambourines to attract nurses' attention. Again and again, we hear stories of patients not being treated with sufficient care, dignity and respect. Having said that, I should point out that there were also many examples of good practice. My own father has received good care in the Royal Gwent and Caerphilly District Miners hospital in recent years.

Nevertheless, given the blizzard of bad news on treatment for older people, the NHS Confederation succinctly says:

"We are well aware of the problems of poor care. What is less clear is why this has not always been tackled and what needs to happen to effect change."

People have talked about a culture of indifference or, worse, of neglect, and ask what has happened to common compassion and kindness. It will take time to turn care around, but change must come. Recommendations in the report "Dignified Care?" include four key points: empowering ward managers to run their wards in a way that enhances dignity and respect, equipping staff to support people with dementia, prioritising continence care and looking further at whether there are sufficient numbers of the right kind of staff to care properly for older people in Wales.

We must ensure that we make things better this time. It is unacceptable that hospitals and care homes can flout their legal responsibilities to patients and residents and just be told to do better.

In Wales, the older people's commissioner has reminded health providers that she has the legal powers to effect necessary change. Those powers must be enforced, key staff must be seen to be accountable and, most of all, patients should be heard. The Minister for Health and Social Services acted swiftly to increase spot inspections in Wales and I am pleased that the Secretary of State for Health has followed that course in England.

Strong professional leadership at ward level is of the utmost importance in securing change. We need the right skills mix in our hospitals and care homes to deliver the care that elderly people want and need. The involvement and feedback of patients and relatives is crucial, but we should not have to rely on relatives and friends to provide basic care, even if it were practical.

As someone who has spent some time working in the voluntary sector, I know that it can be a sensitive and sensible provider. The WRVS has informed us about some of its voluntary services on wards, which include befriending patients and help with feeding. I understand that it is keen to expand those services, which is something that I support.

Residential care is in some flux. One of the largest UK providers, Southern Cross, has collapsed. After a year of worry and anxiety for elderly people in its homes, we must now seize the opportunity to ensure that companies in the sector have a sound business model. They must invest for the long term and deliver high quality care for our elderly.

As a member of the Public Accounts Committee, I recently talked to Department of Health officials about the future of the social care market, which has changed dramatically in the past 20 years from a local market with single owners of individual homes to consolidation of ownership. Southern Cross owned about 9% of the UK market, and 30% of that was in the north-east.

I am not saying that all individually owned homes are perfect. Operation Jasmine is an ongoing investigation in Gwent, looking at the maltreatment of elderly residents in care homes in the late 1990s and early 2000s. The investigation is also looking at some small homes. The first prosecution of an owner and a manager is expected soon.

The position of Southern Cross, which was the subject of a number of takeovers and a massive profit grab by the venture capitalists Blackstone, is perhaps summed up by the reported admission of a former executive, who said:

"It really did seem like we were in a land flowing with milk and honey."

The money men were working on a substantial projected increase in the elderly population. This week, for example, the Office for National Statistics predicted that the current number of people over state pension age will rise from 12.2 million to 15.6 million by 2035, which is an increase of 28%. The money men thought that with a growing elderly population and the subsequent rise in local authority funding, a rosy future with a rosy profit was guaranteed. The Department of Health's director of care services said:

"Arguably, the people who invested took this to be an infrastructure project, like toll roads, rather than a care business."

As someone once said, "If it looks too good to be true, it usually is."

Southern Cross ran into the buffers, as the squeeze on local authority spending saw referrals and fees go down and occupancy rates drop to unsustainable levels. Given that the budget squeeze is likely to continue for some time, the stability of the care sector is of considerable concern. Yes, it is a business, but it is one that looks after frail and vulnerable people, so low cost and low quality is not an option, nor is it right for such people to live with the constant fear that they may have to move home; some certainty must be part of the care package.

I have said before that the Department of Health was slow to act on Southern Cross. I wish I was confident that Four Seasons, which is taking over a large number of former Southern Cross homes and which has more than £1 billion in debts, has a sound business model to deliver long-term care. It is unlikely to be the only operator under pressure as all private providers are dependent on revenue income from cash-strapped public authorities. Of course, as the PAC was told, the Department of Health does not commission services; such decisions are made by local authorities. None the less, the Department of Health sets the framework for social care providers and that must be robust.

The Department is now consulting on what measures it may need to ensure the effective oversight of the social care market. I hope that we will have more comprehensive measures in place early next year. The challenge for us now is to ensure that wherever our elderly are treated or looked after or helped to look after themselves, quality is embedded in the service, and dignity and respect are accorded without question. Together with our high-tech surgery and sophisticated drugs, we must ensure that we feed patients properly and give them the time, company and comfort they need, so that they can cope with the chronic ill-health, dependency, or terminal illness that will at some point come to us all.

3.38 pm

George Freeman (Mid Norfolk) (Con): It is a pleasure to speak under your chairmanship this afternoon, Mr Betts. I will try to keep my comments brief because I know that others wish to speak.

I congratulate my hon. Friend the Member for Stourbridge (Margot James) on securing the debate and on raising such important points. It is a tribute to her and the importance of the issue that so many colleagues have stayed behind on a day when the House is otherwise empty.

This is an important subject at national and local level. Mid Norfolk is a rural constituency with a very high ratio of retired and elderly folk. The subject is also important to the families and friends of patients and most important to the patients themselves, who often have no voice or people to speak up for them. My hon. Friend spoke eloquently of the problems that need to be addressed, including those of nutrition, courtesy, privacy and hygiene. I was struck by one or two of the statistics that she mentioned, particularly the 9 million meals left uneaten and the shocking number of deaths from malnutrition. Although one must not overstate the problem or get it out of proportion, which the media sometimes love to do, for those who are affected it is, as the Care Quality Commission report makes clear, nothing less than cruelty and neglect. As Nigel Edwards, the chief executive of the NHS Confederation, has said:

"It is of course important to put these 10 examples"—

from the CQC report—

"into perspective. The NHS sees over a million people every 36 hours and the overwhelming majority say they receive good care. But I fully appreciate that this will be of little comfort to patients and their families when they have been on the receiving end of poor care."

At the risk of testing colleagues' patience, it is worth highlighting some of the examples given in the CQC report and other reports, because we have had the privilege of reading them and other people may not have been able to do so. By including those examples in the report of this debate, perhaps we can help to highlight them. I was particularly struck by the following examples from the recent CQC report:

"The patient constantly called out for help and rattled the bedrail as staff passed by...25 minutes passed before this patient received attention."

"We saw a staff member taking a female patient to the toilet. The patient's clothing was above their knees and exposed their underwear."

"Two members of staff who were assisting people with their meals at the time were having a conversation between themselves."

Although in some ways the third is perhaps the least obvious example of poor care, it demonstrates what is often the source of patients' frustration about lack of personal care when they need it.

Some other case studies were highlighted in the report of the health service ombudsman. I do not want to go through them all, but I shall mention two. The first was referred to as "Mrs H's story":

"When Mrs H was transferred from Heart of England NHS Foundation Trust to a care home, she arrived bruised, soaked in urine, dishevelled and wearing someone else's clothes."

The second case study was "Mr C's story":

"Mr C died two hours after undergoing heart surgery at Oxford Radcliffe Hospitals NHS Trust."

[George Freeman]

Well, that happens, but the case study continued:

"His family was not told that his condition had worsened and staff turned off his life support, despite his family's request to wait while they made a phone call."

It is easy to highlight emotive examples that shock, but it is important that people's attention is drawn to the specific nature of patients' experiences, because it is in the details that we will begin to find the solution to the problems.

Two other issues that I have come across in my time as a parliamentary candidate and MP merit raising. The first is the difference between care and medicine. I speak as someone who has come to the House after a 15-year career in biomedicine, so I have some experience of the extraordinary advances that have been taking place in genetics, biomedical innovation, diagnostics devices and pharmaceuticals, but of course care and medicine are not the same thing. I have some sympathy with the comments made by my hon. Friend the Member for Stourbridge earlier about the occasional tendency in our modern health service to neglect, amid the busyness and professionalism involved in often extremely high-tech clinical care, some of the older skills of traditional nursing. I do not think that anybody has suggested that it is as straightforward as, "Modern nurses don't care", but given the specialisation and the clinical elevation of nursing we might need to consider whether we have left behind something rather more old-fashioned and traditional. In many ways, one cannot turn care into a specialism; care needs to be at the heart of everything that is done in the NHS.

The second issue is the integration of health and care. In my county of Norfolk—I dare say it is true of other colleagues' counties too—we have an ageing population, and more and more of our constituents experience health and care needs that mean they often spend short spells in hospital before returning to the care system. That creates a number of challenging issues around the transition from health to care, and often back again, particularly relating to patient records and continuity of treatment. I know that the Government are looking at the integration of health and social care, and the commissioning reforms may provide some useful opportunities in that regard and for developing and accelerating best practice.

I will end with the observation that this topic is not one that lends itself to the creation of extreme differences between parties. It is important that today we have had a really good debate on cross-party terms and I suspect there would be wider interest in the House in taking the debate forward. I look forward to the Minister's comments, and to reading those that I cannot hear myself as I may have to leave before the end of the debate, for which I apologise.

3.45 pm

Lilian Greenwood (Nottingham South) (Lab): It is a pleasure to serve under your chairmanship this afternoon, Mr Betts. Like the hon. Member for Mid Norfolk (George Freeman), I must apologise that I have to leave at 4.30 pm, so I may not hear all the contributions that are made.

I congratulate the hon. Member for Stourbridge (Margot James) on securing this vital debate and on asking many important questions about quality of care and patients' experiences of hospital. In addition, I welcome the contributions that have been made by other Members, which have been very important in fleshing out those issues.

I will make quite a brief contribution to the debate. Hon. Members have rightly recognised that, although there are some serious concerns about the care of older people within the NHS, there is also good practice that we can build on. So I will limit my remarks to giving one example of good practice that I hope will be of interest to hon. Members.

Earlier this year, I visited Queen's medical centre, which is one campus of Nottingham University Hospitals NHS Trust. For those who are not familiar with it, it is a major acute and teaching hospital in Nottingham. While I was there, I visited ward B47, which is an acute medical ward for patients with dementia and delirium. Ward B47 has received a national health and social care award for mental health and well-being, and it was highly commended for putting patients and the public first.

While visiting ward B47, I met Professor Rowan Harwood, who is a consultant in health care of the elderly, Caron Swinscoe, who is the clinical lead for dementia, the ward's matron, Ali Cargill, and Louise Howe, who is an advanced practitioner in occupational therapy, specialising in mental health services, and who spent 10 years working in mental health before she came to work on the ward.

Queen's medical centre set up the medical mental health unit as part of a collaborative research project between Nottingham University Hospitals NHS Trust and the university of Nottingham, which was funded by the National Institute of Health Research and the Department of Health. The unit at Queen's built on earlier work in 2005 by the Royal College of Psychiatry, which had shown that patients with dementia and delirium formed a large proportion of in-patients in acute general hospitals and that they had much worse outcomes than those in-patients with less complex problems. The unit was specifically designed to start to address that situation.

Ward B47 is a 28-bed ward, with three registered mental health nurses, a specialist mental health occupational therapist and an activities co-ordinator. Those staff members are working together with an existing multidisciplinary team, which includes an occupational therapist with experience in discharge planning. That new team was set up in January 2010. In addition, the environment of the ward was changed and all staff were given additional training in person-centred care.

In this debate, hon. Members have quite rightly spoken about the Care Quality Commission's findings in relation to quality of care and about what are, in some cases, the extremely distressing experiences of their own constituents and families. Even where care is good—I am pleased to say that, in most cases, it is good—hospital admission can be a distressing and frightening experience. For older people with dementia, hospitalisation can be even more difficult and confusing. Families often report concerns and anxiety about the effect that a stay in hospital has on their loved ones, even where care is good.

My first impression on entering ward B47 was that it was different from other wards that I have seen. It was a calm but stimulating environment, and I will say a little more about the physical aspects of the ward. The most obvious difference was that there was a central activities room where a number of patients were taking part in activities supported by the co-ordinator and other staff. Even in the short period that I was there, I could see that the activity that was under way—patients were playing a game that involved throwing beanbags on the floor—encouraged physical activity. Obviously, people's abilities were different, but the staff encouraged those who could participate to do so. The activity prompted conversation, interaction and engagement, preventing people from becoming isolated and allowing other staff to spend time with the more unwell patients who required more attention—a subject that other Members have touched on.

The ward's staff explained how and why they were doing things differently. In making my remarks, I draw specifically on an article by Louise Howe, the occupational therapist, published in *OTnews* in May 2011. In it she states that the staff had observed that many patients lost their ability to function independently during a stay in hospital, and she gives a typical example. An elderly woman who had been living independently was admitted to hospital and, although forgetful, was able to carry out daily tasks such as preparing a meal. After a month, the occupational therapy team carried out an assessment and found that she was having difficulties recognising and using everyday items. The team was concerned that when she was discharged she would struggle to live safely in her own home—to cook and be around hot objects—and that prompted Louise and the OT service to come up with an approach to maintain patients' abilities while in hospital. Essentially, they would assess patients' level of function on admission—how able they were to wash, dress and self-care—and develop an individual care plan that all staff would work to, to help patients to maintain activities and skills. Patients would then be reviewed on discharge to see whether the actions had been successful.

The team also started to change the environment to make it more enabling for patients with dementia, with clearer signage on the ward, large clear clocks—people like to be able to assess how long things take—redecoration to make the individual bays look unique so that patients could distinguish their own beds, and memory boxes above beds to display personal items and make the environment more welcoming. The ward also commissioned photographs, showing staff and patients talking, completing self-care tasks and participating in group activities, and they were displayed around the ward to provide comfort and reassurance. Although that might sound like a small thing, staff and patients and their families reported that it was a welcome and positive move.

The occupational therapy team has strengthened links with community mental health services to ensure continuity of care after discharge, and has built links with bodies such as the Alzheimer's Society, which provides a weekly advice and support service on the ward. The unit's work is being researched by the university, which is looking at a number of measures—with a properly assessed control group—to compare mental state, delirium, pre and post-admission function, quality of life and carer feedback. The response from staff and visitors has so far been positive, the findings look good, and the team is looking to develop the ward further, for example by providing a more comprehensive programme of activities, including in the evenings when patients can become particularly distressed. It is also considering breakfast and afternoon tea groups to encourage patients to maintain their domestic skills, and the provision of sensory stimulation for patients who find interaction difficult and relaxation for those who find the environment over-stimulating.

I appreciate that my contribution has focused on one ward in one hospital and that there are many issues to address, but I hope that where there is good practice in the care of older people in an NHS hospital it can be used effectively to improve quality of care and patient outcomes across the wider health service and that we have the resources to enable that to happen.

3.53 pm

Peter Aldous (Waveney) (Con): It is a pleasure to serve under your chairmanship, Mr Betts. I congratulate my hon. Friend the Member for Stourbridge (Margot James) on securing this worthwhile and important debate.

The subject is of particular interest to me because the James Paget hospital in Gorleston serves my constituency as well as those of my hon. Friends the Members for Great Yarmouth (Brandon Lewis) and for Suffolk Coastal (Dr Coffey). As we have heard, the hospital has received two unfavourable Care Quality Commission reports and a red Monitor warning, and a third report is awaited. Although improvements have been made since the previous visits, there are still areas to address because elderly patients are not being given appropriate support with eating and drinking, and people in need of intravenous fluids are not getting infusions. I do not propose to go through the reports in detail, but I will highlight a few concerns that we need to address, not only in the James Paget but across the country.

My first point specifically regards the James Paget. The hospital's main asset is its loyal and hard-working staff, including doctors, nurses, care assistants and the volunteers provided by the very good league of friends. There is a very strong team spirit, and it is vital that the staff, who want to provide the best quality care, are given the resources, training, support and leadership they need.

[Annette Brooke *in the Chair*]

My second point is about funding. A particular issue in an area such as ours—we have heard from my hon. Friend the Member for Suffolk Coastal—is that Suffolk and Norfolk is a popular area to retire to, and that puts pressure on the hospital. In Yarmouth and Lowestoft, there are pockets of deprivation, and the area is a popular holiday destination. Four or five years ago, when my late father was in the James Paget, he was probably one of only two local people on a ward of eight. That is an indication of the challenges that the hospital faces, and I hope that its funding generally takes that into account.

Hospitals need not only to tackle excessive bureaucracy but to look at areas of staff shortages. If the NHS is to survive, it must tackle social care, because otherwise we will face the prospect of more and more older people in hospital beds, creating a logjam and bringing the system to a grinding halt. It may well be that we should divert

[Peter Aldous]

funds from the acute hospital sector and into adult social care to cope with the rising costs of health care and an ageing population; it is important to make savings wherever possible.

I do not like saying this, but there is a sense of déjà vu here. This debate is very welcome and we are all approaching the matter in the right way, but I sense that we have been here before. The CQC findings are similar in many respects to those in the Secretary of State's 1998 report, "Not because they are old", and there are parallels with the Patients Association study of two years ago. It is as if each new revelation creates a sense of outrage, and then nothing happens. We all have an obligation to ensure that this time is different.

There is perhaps an institutional ageism in our society to the extent that at times we do not understand the needs of the elderly, and are too condescending and dismissive. That needs to be replaced with a sense of kindness and compassion, with patients' dignity respected. We should treat patients as people, not processes; perhaps in the past, in a drive to meet targets, patients were seen as procedures to be processed. There is perhaps a problem of patient care getting sidelined by targets, by finances and bureaucracy. The delivery of care has perhaps been regarded as a task to be completed, but it is a vocation, not a unit of work. More training and staff development is needed, with patient care at the centre of things.

On leadership and support, we must create a different culture in which good care flourishes. Leaders and managers in hospitals should work closely with staff in proper liaison. It should be a two-way relationship. Staff must receive the right support, and management must ensure that budgets are spent wisely.

Over the years, a poor understanding of malnutrition has crept up. There is a lack of awareness of the importance of good nutrition. Malnutrition costs the NHS £13 billion per annum. Inadequate food is a problem, as are inflexible regimes and a failure to meet basic physical care needs, which causes patients to become lonely and bored. Similar problems exist in some care homes; lack of attention to detail is a problem. Hospital food can at times be unappetising and unpalatable. We must examine food budgets closely. Are they too low? Should they be higher?

We need a fundamental look at the issue. The CQC does valuable work, but it cannot go back all the time, so we must consider giving patients an advocate who can fight their corner. Local HealthWatch organisations that carry out unannounced inspections have a role to play. Publication of malnutrition rates should also be mandatory, so that people can discover problems earlier and notify where they might be occurring.

Finally, I will mention an issue that is not the topic of this debate but is an elephant in the room: social care for our elderly in their last days. We need to integrate the health service and social care. The Dilnot report presents an opportunity to address a time bomb that has been ticking for a long time and that successive Governments have not grappled with. I hope that, in the spring, the Government will face up to reality and publish a positive response to what Andrew Dilnot said.

4.2 pm

Julie Hilling (Bolton West) (Lab): It is a pleasure to serve under your chairmanship, Mrs Brooke. I congratulate the hon. Member for Stourbridge (Margot James) on securing this important and timely debate. I beg your indulgence as I tell a personal story about my mum's recent journey through the national health service. As many colleagues will know, my mum had a bad stroke in June this year, and we have had a bumpy ride over the past four months. I want to make it clear at the outset that the vast majority of care workers, nurses, doctors and other staff with whom we have come into contact have shown my mum a great deal of loving care, but she seems to have been let down by system failures.

Mum is 86, but before her stroke, she was still working, teaching three yoga classes a week, doing reflexology, driving her car and leading a totally full life. As hon. Members can imagine, it has been devastating not only for her but for all of us. After the stroke, she was first admitted to Luton and Dunstable hospital's accident and emergency department. At about 4 in the morning, she was medically ready to be transferred to a ward and was taken up to the stroke ward. However, when we got there, we were told that there was no bed. We were not too fazed at that point—it was the middle of the night—so we accepted it, and she was transferred back to the emergency admissions ward. At the time, the medics were not sure that Mum would survive, so it was a difficult time for us.

By the following afternoon, we were getting agitated—*[Interruption.]* Excuse me, Mrs Brooke; you can tell how it made me feel. Anybody's journey through the national health services in such circumstances is difficult, and ours has not been made better by what has happened to us. We were agitated by the following afternoon. Mum was still on the emergency ward, which was very busy and noisy. Eventually, we started the journey back to the stroke ward, to be greeted at the desk again with "Sorry, there's no room." At that point, I started to become six foot tall, thinking, "My mother is going to come into your ward." Fortunately, a sister behind the desk treated us nicely, saying, "This woman will be admitted on to our ward."

Some time later, concerned about her breathing, I called for a nurse. The nurse came in and said, "Well, you know she's do not resuscitate, don't you?" I said, "Yes, but I'm concerned about her breathing." The nurse said, "Oh no, she's fine. She's actually in a deep sleep and things are good, but oh dear, I've not hung up the drip." I spent the next half-hour holding up the drip so that Mum would get saline and holding Mum's hand until the nurse eventually returned with the drip stand.

That is just the start of a chapter of system failure. It was a great frustration going to the desk and seeing all those people behind it, but being totally ignored. I did not know whether they were physiotherapists or doctors. When I said, "Mum needs the commode," or "Please can you," I was ignored. That was not just our experience but the experience of everybody on the ward.

Stephen Pound (Ealing North) (Lab): Sorry, but I cannot believe I heard that. Can my hon. Friend confirm that the charge nurse said to the patient's daughter that the patient was do not resuscitate? Please God, I heard that wrong.

Julie Hilling: No, indeed. That was what was said to me when I questioned her breathing. We knew that Mum was gravely ill and that they would not make extraordinary efforts to save her at that point, but the way that it was done did not make it the best thing that happened.

As I was saying, the great frustration was being ignored. One day I went to the desk, saw the doctor who was doing the round and said, "We really need to speak to you." The doctor said, "I'm very busy at the moment, but I promise I will speak to you before I go home." I went back to the desk a few hours later to discover that the doctor had gone home. We only got results by complaining. It was a difficult period.

Mum was on thickened fluids because she had difficulty swallowing. Each day when we went in, on her trolley would be a glass of ordinary, unthickened water. However, the good thing was that every day it was out of reach, so fortunately she could not choke on it. Then they complained that she was not drinking enough.

Food was a mystery. We would fill in the menu form, but each day it would be a lottery what turned up. Mum was on puréed food, but three times in one week, the lady in the next bed got no evening meal. Each time, they said, "Well, you didn't fill in the form." Her family said, "Yes, we did," and they said, "Oh well, we'll give you sandwiches." Fortunately, that happened to Mum only once. Thank heavens my sister was there, because they said, "We'll give her a sandwich." My sister said, "Look on the chart over her bed—puréed food only." Had she not been there, goodness knows what would have happened.

One day, Mum choked. They had got her out of bed, so she was sitting next to the bed, and she was choking. She was unable to ring her buzzer at that point, so another patient rang it, trying to get somebody to assist. Nobody came for about 10 minutes. The other patient's young husband then had to assist my mother, mopping her up and getting her sorted out so that she was no longer choking.

For a few days, there was a lady in the bed next to Mum's who sat on a pad that spoke every time she stood up. Clearly, she wandered, and they needed her to stay in place, but the message on the pad said, "Dear Mr Such-a-body, please sit down again and somebody will come to you." Of course it was no trigger for that woman, as that was not her name. The name had not been changed. The lady opposite Mum could eat, but was not eating a great deal. She was not helped to eat or given prompts such as "Please have a bit more"; somebody would just come and say, "You need to drink a bit more," instead of helping her.

I asked my assistant to send a card from my right hon. Friend the Member for Doncaster North (Edward Miliband) and the Chief Whip. I nearly asked for a card from the Prime Minister. I thought that maybe if they knew that I was an MP—I have never in my life told as many people that I am an MP as I did during that period—they just might give my mum a bit of extra care or show more concern. I even took in a box of House of Commons chocolates, as if to say, "Look after this lady, please," but that did not make a great deal of difference. The staff did care, but the system was not in place. We felt that we had to make sure that, every day, somebody stayed for the full length of visiting hours.

After two and a half weeks, mum was transferred to Biggleswade rehabilitation hospital. Again, the staff were very loving, but they also let us down. They loved mum, and we felt that that was partly because mum is a proud, undemanding and polite woman. She was in Biggleswade for eight weeks and, again, we did not dare to not have somebody present to visit for a substantial part of the day.

Mum had pneumonia, along with the stroke, and after a couple of weeks at Biggleswade, she did not seem very well to us. We had to tell the staff that, despite the fact that she was getting close personal care at this time, mum was not well. They took her temperature and, yes, she had a chest infection. Treatment was good, but why was it us—she was in hospital—who had to raise the alarm? Mum was losing weight—she ended up losing 3 stone during this period. She was supposed to have protein drinks, but the drink only ever turned up on one day. Mum came to absolutely hate meal times at Biggleswade.

The second major incident was equally frightening for us. Mum had bumpers put on the side of her bed, to prevent her paralysed leg from getting caught in the bars. One night the bumpers were not put on and her leg got stuck. She, of course, did not realise this and it was only in the morning when she said that she was in extreme pain that it became apparent that this was why. Why were the bumpers not put on? Moreover, if it was a mistake, why did not somebody on their night tour know that the bumpers were not there? It is an 18-bed hospital, not an enormous one with hundreds of beds. Why, indeed, did the nurse in charge not check on the patients throughout the night? When we went in, mum's leg was hugely swollen. The sole of her foot was purple. We are not medics—we did not know what was the matter—but we thought that something was wrong, so we raised the alarm again.

I want to tell this story because I think it is typical of other people's experiences. Mum needed close personal care, so why did the carers, who were putting her in a hoist and changing her clothes and pad, not raise concerns about her leg being three times the size of the other one? The unit at Biggleswade is nurse-led, so a GP was called. He thought that she had a deep vein thrombosis and tried to get a scan the next day. He did not think that she should wait 36 hours, which was the time we would have had to wait for the appointment on offer. He thought that he had succeeded in getting a scan for her the next day, but, sadly, he had not, so we had a desperate day of trying to get mum scanned. We asked whether there was any other hospital that she could go to, and—remember that I am a good socialist, Labour MP—I even asked, "Can I pay?" I am grateful to mum's MP, the hon. Member for South West Bedfordshire (Andrew Selous), who also helped and pulled out all the stops to try to get mum a scan, but we only managed to get her in the next day.

I asked to see the matron to see whether anything else could be done. Although I remained at the hospital all day, I was told that they had seen a posh car drive away from the hospital and had therefore decided that I had left—I am not too sure why they thought I drove a posh car—so the matron had left the site without seeing me. The medics were not too concerned, because they said that they had started treatment—a treatment that we

[Julie Hilling]

were later told should not have been started before mum had had a brain scan, because she had had a hemorrhagic stroke.

I also discovered that there are only four slots for GP referral scans at Bedford hospital. The hospital serves many thousands of patients, so why are there only four slots for that huge population? We went to the hospital and another chapter of problems started. I will not bore everyone with the full details, but suffice it to say that there was a lack of communication, which resulted in mum missing her slot to be scanned, and a full day of a woman, frightened and in pain, sitting around in a hospital.

The overwhelming feeling was that everybody blamed everybody else. It was said that the day ward at Biggleswade should have sent her on a trolley. Somebody else should always have done something, but very few people said, "I will do something." Mum was diagnosed with a DVT from toes to groin and was in the ambulance about to go back to Biggleswade while I was still in the hospital demanding answers from the doctors and asking questions. Fortunately, the consultant appeared at that point—I am not sure whether he turned up or was asked to come—and said that, because of the medication that mum was on, she should stay in and they should not send her home. That was the turning point in mum's journey—good care and good treatment in Bedford hospital. She started to eat.

After two and a half weeks at Luton and Dunstable hospital, eight weeks at Biggleswade and one week at Bedford hospital, mum went into respite care in Swiss Cottage care home in her home town. What a difference. She is eating well, has started to put on weight and is starting to walk. She is making amazing progress and we hope that she will go home soon.

There has been only one bad incident in the care home. It asked a GP to visit and the one who was on duty—it was not her GP—refused to come, because he did not know her case, even though all the information had been sent to the GP. He referred her to Stoke Mandeville hospital for another scan—another day of pain and distress for this woman. They said, "She's got a DVT," but we knew that. That seems to be another failure.

I am grateful for the opportunity to tell my mum's story, because, sadly, it seems typical of that of so many older people. It seems that if people have something that is wrong and treatable, they get good service from the NHS, but if they are older and just need care, the results are not so good. There also seems to be little consideration given to who that older person is or was; they just become "an old person." Yes, she is 86, but my mum was a working 86-year-old, teaching yoga and apparently fitter than me—she was not just an old lady.

A GP in Biggleswade told me that my mother is lucky to have a family who have been fighting for her. It should not be that way. Every older person deserves to be treated with respect and care. I am grateful for this opportunity and I hope that, through all of our efforts, a real difference will be made to the treatment of older people.

4.17 pm

Sarah Newton (Truro and Falmouth) (Con): It is a pleasure to serve under your chairmanship, Mrs Brooke. I am particularly grateful that you have allowed me to speak. I missed the beginning of the debate because my watch broke. It was immensely frustrating, so I appreciate you making an exception to the rule and allowing me to speak.

We have heard so many excellent speeches this afternoon and I agree with the contributions of all my colleagues. It is so refreshing to be part of this debate, which provides a contrast with yesterday's debate on the NHS in the main Chamber. We are working together to highlight considerable concerns. I am sure that, considering the great passion that has been in evidence today, we can make a difference.

Other colleagues want to speak, so I will touch on only two areas that could be improved in the NHS. If they were improved, it could make a real difference in driving up the standard of care for elderly people. The first relates to improvements to the complaints process, and the second to a particular training need for people, whether they be doctors or clinicians, who come from overseas to work in the health service.

On the complaints procedure, highly effective organisations appreciate that every complaint is an opportunity to learn and improve. Such organisations have virtuous circles of continuous improvement, from complaint through to monitoring the improvements that they agree to make, to make sure that improvements result from every complaint that is investigated.

I have read with interest the recently published report of the parliamentary and health service ombudsman, Ann Abraham, "Listening and Learning". It is a review of NHS complaints handled in England from 2010 to 2011. It is a hard-hitting and informative read. Ann says:

> "In last year's report...I concluded that the NHS needed to 'listen harder and learn more' from complaints. The volume and types of complaints we have received in the last twelve months reveal that progress towards achieving this across the NHS in England is patchy and slow.
>
> This report shows how, at a local level, the NHS is still not dealing adequately with the most straightforward matters."

We have heard that today. She goes on to say that two particular themes emerged. First, the most prevalent reason for complaints was a lack of effective communication, as every speaker today has highlighted. Poor communication can have a serious, direct impact on patients' care and can unnecessarily exclude their families from a full awareness of the patient's condition or prognosis. Secondly, in an increasing number of cases, a failure to resolve disagreements between patients and their GPs has led to their removal from the GP list. Her report cites a particularly harrowing example of somebody—a very vulnerable and elderly person—being excluded from the GP list in the last few days of their life.

More positively, Ann Abraham notes that there have been improvements in the attitudes of NHS senior management when tackling the issue of complaints handling and that there has been more partnership working with other parts of the NHS, such as the Care Quality Commission. However, clearly, much more effort needs to be put into showing NHS staff how complaints

can drive up standards of patient care. The majority of doctors, nurses and other clinicians in the NHS in Cornwall, and I am sure around the country, get job satisfaction from delivering high-quality care to their patients. I have listened to nurses who suffer when they work in wards that are poorly led and monitored, and where bad practice is ignored. Worse still, when they try to tackle the situation by reporting their concerns and even making protected disclosures, nothing happens.

In remote and peripheral parts of the country, such as Cornwall, there is only one acute hospital, so staff are very reluctant to complain because there is nowhere else for them to go. That is stressful for staff and, obviously, far from good news for the patients on their wards and under their care. I am pleased and encouraged by the Care Quality Commission's work in Cornwall. When all parts of the NHS and other care providers are registered, so long as they have the necessary resource, they will be highly effective in driving up standards of treatment and care. I would like the Care Quality Commission to have a far greater role in the NHS complaints process—for example, it should be given copies of all complaints, all protected disclosures and all death reviews in hospitals. That information is vital to helping the CQC to assess risks and manage improvements.

Where a complaint has led to an improvement being agreed, the CQC should have the opportunity to visit and spot-check to ensure it has been implemented. If the CQC were more involved in the complaints process, the quality of care and services, as well as job satisfaction for NHS staff, would be improved. The poor quality of care an elderly person might have experienced, either at home or in residential care, should also be dealt with by complaints processes that involve the CQC.

A more public communication of complaints data will also help to drive up standards of care and will give patients more important data upon which to make a choice. I am pleased that, from this month, the Department of Health has committed to publish complaints data by hospital, and that foundation trusts will also shortly be required to provide information on complaints. Like Ann Abraham, I hope that, following the Government's consultation "An Information Revolution", a framework for making that information available will be published. It is important to have standardised indicators and measures for both complaints and lessons learned, so that patients and staff can compare like with like. I hope that the Minister might be able to comment on that today.

The second point is about staff who come into the NHS from overseas and who have been trained overseas. Much has been reported in the media recently about the poor language skills of some of the doctors, nurses, clinicians and care workers who come into the NHS, and the problems that that causes. That is an important issue but the attitude of such staff, especially towards older people, is as significant.

Although I appreciate that the training of doctors is not the responsibility of the Department of Health, it could be part of the commissioning of services. Guidelines could be given to commissioners not only on training, but on ensuring that people coming from overseas had effective training on how to treat people with respect and dignity. The value assigned to elderly people is different in different cultures around the world, and that needs to be addressed when employing people in the NHS. I am aware that many colleagues want to contribute, so I shall conclude my comments there.

4.24 pm

Alison McGovern (Wirral South) (Lab): I congratulate the hon. Member for Stourbridge (Margot James) on securing the debate and thank the Backbench Business Committee for timetabling it. There are few issues that mean more to me or make me more angry than the poor treatment of older people, especially by our NHS. Therefore, it is highly important that we focus on that today.

I shall begin where other hon. Members might not have had time to go—by questioning our values. The hon. Member for Stourbridge listed societal problems as being one of the causes of indignity in hospitals and, when I intervened to ask her about that, she said that she did not have enough time to go into the subject. I hope I can assist her by taking us on that journey.

I am afraid that I shall start by disagreeing with the hon. Lady. I find it hard to believe that there is a lack of moral value or preference in society. Part of the problem is that those values are not made explicit often enough. We have talked much about dignity today. That word is often used, but rarely explored. I question and doubt the point made by the hon. Member for Truro and Falmouth (Sarah Newton) about older people being treated differently in other countries. If that is the case, it is incumbent upon us as politicians to make our values absolutely clear. In many ways, the national health service is, for Britain, an expression of our moral choices and preferences. Whether or not we talk about the NHS in those terms, that is what it is.

Let us begin by asking what we mean by "dignity." It means inherently respecting the other person because of their humanity. In practice, that means demonstrating they are listened to, cared for and thought of, no matter who they are or what their personal circumstances are. Let me quote from the CQC report to give an example of what I mean and why it is so important that we make that absolutely explicit. In the report's overview by Dame Jo Williams, she mentioned that they found cases where they believed that staff stripped patients of their dignity. She says:

> "People were spoken over, and not spoken to…left without call bells, ignored for hours on end, or not given assistance to do the basics of life."

When we talk about dignity, that is what we really mean. I find it hard to believe that we live in a Britain where most people would walk past, look the other way or not consider the needs of somebody who is extremely vulnerable and stripped of the basic necessities of life. The vast majority of people in our country would consider that situation to be utterly intolerable.

The question is: what is going on in the health service that leads us to see cases in our surgeries and examples among our families where people are bereft of their dignity? Given that we set such high moral value by the appropriate respect given to people because of their inherent dignity, what is going on in the health service that allows such a situation to occur? I accept other hon. Members' points about the level of frequency and the commitment of staff by and large, and I was also most taken by the remarks of my hon. Friend the Member for Nottingham South (Lilian Greenwood),

[Alison McGovern]

who is no longer in her place, about the best practice demonstrated to her. Given that we know what the right answer is, we need to consider what happens when there is a failure.

Dr Coffey: I strongly endorse what the hon. Lady is saying. What is even more extraordinary is how there are such different experiences within a single hospital. That is why local leadership is absolutely critical to getting this right.

Alison McGovern: I thank the hon. Lady, who spoke so well and so bravely earlier, for her intervention. I will come on to describe the differences within hospitals—a point at the heart of the debate.

Last year, the Wirral University Teaching Hospital Trust experienced some of the worst staff survey results in England. They were awful. The percentage of people who would recommend our local hospital to a member of their family was disturbingly low. I know I speak for other hon. Members in the area when I say that we are extremely concerned about this. The trust has a plan of action to try and put this right and there are many examples of the best quality of care being given to my constituents. However, some wards have been very poor. What we have observed locally relates exactly to the point raised by the hon. Member for Suffolk Coastal (Dr Coffey). Some wards are very good and some are extremely poor, and the CQC report also found that. Some of the places of most concern also had very good practice, so this is a problem.

We ought to ask the following questions about staff in the NHS, and I think that they should ask the same questions of themselves. The first question relates to the point that I started with: do they have the right values? Do they make the right moral choices? Do they have the right preferences? By and large, I think our answer would be yes. I do not believe that people in this country somehow just do not care—I think that that is wrong. The second question is: are NHS staff empowered to make choices in line with those values—the basic right to dignity and sense of humanity that we want them to? Are they empowered? Finally, in line with the points that have just been made, are they accountable if that does not happen? That is a crucial point.

The Front Line Care report is an important report written under the previous Government about the future of nursing. There is, perhaps, a missed opportunity. It covers, in detail, many of the questions that we have about nursing care. My mother was a nurse. Her line on nursing is that a nurse's job is whatever the patient needs. That coheres entirely with both the Front Line Care report and the CQC report, which points out the problem alluded to by other hon. Members. Dame Jo Williams states that care seems to be:

"focusing on the unit of work, rather than the person who needs to be looked after."

We need staff who are empowered to provide person-led care that looks at the needs of each person, and delivers for them what they need in the health service.

There is, of course, the question of targets. The Government have moved towards dropping some of the waiting list targets that were in place under the previous Government. Is this the kind of thing we can have targets for? I am not sure. However, I know that we know good quality when we see it. If the model of staffing for the dignified and respectful care of people is right, then that will drive up the quality of experience they receive. Leaving aside whether we have targets, quality of experience can definitely be monitored. There are some difficulties relating to monitoring older people, not least people who die in hospital. It can be very difficult to ask for feedback about the death of a loved one, but we need to find a way of asking. A good death is at the heart of what it means to be a dignified person. I encourage all hospitals to think carefully about how they ask for feedback from the relatives of a patient who has died. Even in the case of an older person with dementia, how do we get feedback on how the NHS has treated them?

As politicians, we need to back nursing staff and doctors. At the beginning of my speech, I tried to be very clear about the values that we espouse and I hope that they are shared across the Chamber. Those values give people absolute faith about what is expected. We can be clearer about the standards of care that we expect. I have concerns about systems, such as the red tray one, which rely on a tick-box culture, rather than saying, "Here is the standard that we expect people to live up to and it is your responsibility to do so". How people in different wards meet those standards would be different, but they must meet them.

I would set the following test for the NHS. I believe in the NHS not merely through custom and practice, but as an article of my political faith. It is a fundamental expression of our values that everybody should be looked after if, through no fault of their own, they become unwell. Everybody should be taken care of. That means that if one person is not taken care of in the NHS—whether they are related to us, or nothing to do with us—in the way that we would expect for a member of our family, then that is not good enough. We should articulate that value. I hope—and know, in my case—that local leaders of hospitals share the belief that we should care for people in the NHS as though they were members of our family and give them the dignity to which they have an absolute moral right. We need to articulate those values and then make people empowered and accountable to living up to them in the NHS.

4.36 pm

Liz Kendall (Leicester West) (Lab): It is a pleasure to serve under your chairmanship, Mrs Brooke. I thank the Backbench Business Committee for allowing us to have the debate. In particular, I thank the hon. Member for Stourbridge (Margot James) for securing it. I also want to thank all other hon. Members who have spoken and given passionate, heartfelt and thoughtful contributions.

Hon. Members from all parts of the Chamber have spoken with one voice. It is completely unacceptable for any older person to receive the appalling standard of care that we have read about in the CQC report and in the ombudsman's report. We have seen that appalling standard of care in our own constituencies. My hon. Friend the Member for Bolton West (Julie Hilling) has seen it in her own family. Although we may not have seen as poor a standard of care as she did, I am sure that many of us have been concerned about the care given to our own families. I would like to consider some potential causes of those poor standards of care, and talk about possible measures to tackle them and to ensure that every service matches the best standards.

It is important to look closely and carefully at this question and to avoid thinking that one issue, one group of staff or one set of problems is to blame. While there are some straightforward, practical steps that could be taken immediately, there will not be one simple quick fix that will solve the whole issue. There are deeper and more complex issues that are far harder to address. I will talk about five areas: staff levels and resources; staff training, which many hon. Members have spoken about; culture and leadership; the regulation of the NHS; and deeper issues that are very difficult to address.

Several hon. Members, particularly at the beginning of the debate, raised the issue of staffing levels and resources. If we talk to individual members of staff or organisations such as the Royal College of Nursing, they say that the issue is of concern. Staff to patient ratios were referred to by the hon. Member for Stourbridge and the hon. Member for St Ives (Andrew George). Peter Carter, who runs the RCN, gave me a stark example. The figures are rough and not perfect, but he said that paediatric and children's wards have one nurse for every four patients, while in the wards that specialise in care for older people the ratio is around one nurse for every 10 patients. Elderly, dependent patients have different needs from sick young children, but in many ways they are just as challenging, so we need to look at that, particularly because, with an ageing population and some of the problems in social care, more sick elderly patients are ending up in hospitals, many with not only dementia but two or three other health problems. That co-morbidity issue will be important as we see hospitals with big financial challenges, which we will over the next couple of years.

On staff training, we often hear commentators or senior people in the NHS, frequently medics, who question whether moving nursing towards being a degree profession has been an entirely good thing. It is vital to get the right balance between academic and practical elements in nurse training. Degree courses have been around for many years—40, I think. As many hon. Members have said, we see differences between and even within hospitals that are using nurses with the same qualifications, often from the same universities, and some have their problems and some do not. We need to look at the balance, but we should not think that that is the entire cause of the problem. A lot is down to the culture created in wards, which I will say more about in a moment.

Concerns have been expressed by many hon. Members today, the media and NHS staff about health care assistants. Health care assistants in wards provide more and more of the care, some of which is intimate, such as feeding older people or helping those with continence problems, but it is a positive development. As other hon. Members have said, our staff have the right values, and that is partly about the training they get. I think the hon. Member for Stourbridge said that health care assistants do not get any training and are not regulated, but they do, or should, get training from their employer, the trusts. Such training can be patchy, and we need to look at that.

In 2003, I called for the regulation of health care assistants—as many people did, way before me—in a project I did called "The Future Healthcare Worker." If nurses are to take on some of the more clinical roles, and health care assistants more care, we need to look at that issue. I had hoped for more progress on that under the previous Government. It would be interesting to hear from the Minister the current Government's views on regulation. There are all sorts of issues around time and cost—for employers and individual staff—but it is something we need to look at.

Culture and leadership are woolly words, but in practice we know when we see good culture and good leadership. My hon. Friend the Member for Wirral South (Alison McGovern) made this point. What is it on the ward that matters above all? Yes, it is about how long it takes to be treated, whether operations are a success or whether medicine is taken on time, but it is also, crucially, about the experience of the patient, whether they and their families feel that they have been given enough information and the time to think about it. When the information is given can be important. We have all been in situations where the doctor has said something quite shocking and we were not prepared for it. What matters is the simple things such as whether the patients are covered up when they go to the toilet and cleaned effectively afterwards.

There are places where the patient's experience is at the top of the agenda, not only of the individual ward but of the hospital as a whole. Simple and straightforward surveys, developed by organisations such as the Picker Institute, can help individual organisations and services to get that across.

Another thing about culture is a bit more tricky and concerns how we build a team and being open to questioning. In a team, staff should value each other's different experiences. That might not be the case with some of the old-fashioned hierarchies in a hospital—doctor, nurse, care assistant—where they do not dare question one another. Teams need to value each other's skills and experiences but also be open to questioning.

Alison McGovern: One of the best examples of quality of care that I have seen recently was in one of my local hospitals, when I was shown around a ward in part by the cleaner, because she was deemed to be so important to the good functioning of that ward.

Liz Kendall: That is absolutely right. It is not that everyone has the same skills and experience, but that all those different skills and experience are important. In a proper culture of learning, mistakes can be admitted, because we all want to learn from them to ensure that they do not happen again. We need to see not only the different health professionals as part of the team, but users and families too. Peter Carter of the RCN raised the issue of families being involved, and it was sad that all over the papers he was reported as saying, "Come in and care—it is up to you to care for members of your own family." What we need, though, is for families to be part of the process, particularly if their relatives are elderly patients suffering from dementia. Family members know them best. We might not be able to hear what they are saying but their family will know how they react, and whether they like or dislike something.

Such a culture and such leadership need to be in evidence not only on the ward, but on the board—a point made by the hon. Member for Stourbridge. As the boss, the board should want to know what is happening on the ward and its members should be getting the surveys and patient feedback. As with Members of

[Liz Kendall]

Parliament, hopefully, what they will most want to know is what individual constituents think of them. Accountability is vital, from the top down. Also, in particular for old people who might not have family members nearby, the idea of volunteers who can be advocates and part of the process is important.

On regulation and the Care Quality Commission, I am concerned about the issue. More could be done immediately. The CQC has an important role to play, but I want to be clear that responsibility for the quality of services lies with the providers and not with the regulator. However, people want to have confidence that, if the CQC says that somewhere is okay, it is okay and, if it is not okay, that the CQC will go back and ensure that it is sorted out. I am concerned that, almost six months after the initial inspections, the CQC has not been back to a third of the hospitals it said in its report were failing to respect and involve older people, and it has not been back to two thirds of the hospitals that were failing to meet nutritional needs. I have written to the CQC, which has not written back, but it said on the phone that it had received written reassurances. That is not good enough. It should be going back to those hospitals. I am keen to hear from the Minister whether he could take action to ensure that we know which hospitals have not had a follow-up and what the timetable for action is.

There are clear national guidelines for people who work for public bodies such as the council or the NHS. There are guidelines on raising the alert and referring a person immediately—within one day—if it is thought that they are vulnerable or at risk of neglect or abuse. I have asked the CQC whether it referred people, or whether it required the hospitals to do that. If someone has seen children at risk of neglect or abuse, action would need to be taken or they could face the legal consequences. I am concerned about that matter.

I have spoken longer than I intended. I want to finish by addressing what I call "deeper issues": our model of health care, the nature of medicine and the way we as a society treat older people. When our NHS was established, our population had very different health problems. People needed episodes of care for acute conditions that could be treated and increasingly cured. Our health services were based on the model of individual district general hospitals. However, we have health problems now that are related to people living longer with long-term and chronic conditions. Improving health is no longer solely about needing episodes of acute care that seek to cure people. It is about increasingly helping people to manage their long-term health problem, and, when they are very old or suffering from dementia, helping them to live to the end of their days as comfortably as possible.

Our model of health care has not kept pace with changing needs. One third of hospital admissions are for people over 65, but, because on average they stay in hospital twice as long, two thirds of hospital beds have an older person in them. Hospitals are not the place to care for older people, but hospitals are where we care for them. We must change that situation, which means shifting services out of hospitals and into the community. We need to focus more on prevention and joining up with social care.

There is a big challenge for medicine. We have talked a lot about nurses, but not about doctors' mentality. They are trained to cure. There is a big challenge for doctors as well as nurses as our health needs change. In too many places, doctors are still at the top of the hierarchy. They are the ones who help to determine the shape of care. It is important to look at their changing role, too.

I want to talk about how we as a society treat older people. I hope we will have a proper debate about that one day. I want to say two things. First—I think other hon. Members have mentioned this—we are not used to seeing people get so old. It is quite a recent thing to see people living for such a long time, often in pain, and it is very painful for families, particularly if they see people whom they love suffering with dementia. Society shuts older people away too often. We say, "You're just getting old" or we prefer that they are not seen and not heard. In other countries, it is not like that. Older people feel more part of the community and they are perhaps more visible than in this country. I can give a simple example. Care homes in Spain do not have opening hours—they are simply open—and people see them as part of the community.

The issue is about how our services cope with an ageing population and how we treat older people. If someone is very old and slowly dying, including from something such as dementia, which is awful to see, we need to find a new way to deal with that.

4.54 pm

The Minister of State, Department of Health (Paul Burstow): I start by thanking the Backbench Business Committee for scheduling the debate and the hon. Member for Stourbridge (Margot James) for securing it. We have heard personal testimonies and powerful speeches today. There have been thoughtful contributions and I want to make sure that the debate is seen by colleagues at the CQC. The relevant national clinical directors, the chief nursing officer and the chief executive of the NHS ought to read the report of the debate because it encapsulates in a very powerful way the challenges, as well as the opportunities to move on and make a difference for the people we are here to serve.

I want to address the problem and then describe some of the things that are happening and discuss what more needs to happen. Whether in the NHS or in our wider care and support system, poor quality care can never be acceptable and should find no hiding-place in our country. Many hon. Members have rightly expressed their serious concerns that such shocking and neglectful care can be—or appear to be—tolerated within our NHS, and that kindness and compassion can go missing on some wards. The hon. Member for Bolton West (Julie Hilling) described her journey and the way the system almost seems to have imprisoned people with good intentions and disempowered them. The point about empowering staff to live their values in their practice is an incredibly important one.

I will not speak to the social care piece of the debate in great detail today. The Backbench Business Committee has scheduled a debate on social care on 10 November, and I look forward to that broader debate. I will talk about the problem that we have been wrestling with today. Sadly, it is not a new issue. The ombudsman

report, "Care and Compassion", is just one in a long line. Evidence of poor or variable care for older people can be found in major clinical audits on continence care or falls and bone health undertaken by the Royal College of Physicians; in the work of NCEPOD—the national confidential enquiry into patient outcome and death—and its inquiry into pre-operative care for the over-80s, chillingly titled "an age old problem"; in the findings from the national hip fracture database; in the parliamentary inquiry into the human rights of older people in health and social care; in the many reports by charities such as Age UK and the Alzheimer's Society on acute care and nutrition; or in the Mid Staffs inquiry. Taken together, those reports, audits and inquiries, which go back years not months, paint a disturbing picture that quite rightly has been rehearsed here today. They demand action.

Some people try to reduce the issues to problems that need simplistic solutions, of which there are none. Some people see the issue as an opportunity to make criticisms of modern nursing or the role of health care assistants, which misses the point of so many of the reports I just listed. Such issues do not have a single cause, so there cannot be a single magic bullet solution. However, I am clear that we have to move on from merely describing the problem. There is an almost constant cycle of revisiting the problem, but never actually solving it. We need to identify steps to solve it.

I shall outline some of the steps the Government are taking in concert with others—it cannot just be governmental action—to stamp out poor care and to embed a culture of quality care, and zero tolerance of behaviours and systems that do not facilitate that care. I cannot cover all the actions that are taking place; only some. The level of non-compliance uncovered by the CQC inspections in 100 hospitals was inexcusable; in my view, there are no mitigating circumstances that can relieve medical staff of the duty they owe their patients. I agree with the hon. Member for Leicester West (Liz Kendall), who said that follow-ups by the CQC need to be rapid and proportionate. Matters cannot be left unanswered. Once concerns have been identified, they need to be properly followed up to ensure they are addressed.

My hon. Friends the Members for Suffolk Coastal (Dr Coffey) and for Waveney (Peter Aldous) mentioned the James Paget hospital. I shall not usurp the role of the CQC, but its report has made it clear that the trust could face prosecution or suspension of services for the failures that have been identified. We must now await the next report, and expect speedy and timely action from the CQC as it discharges its responsibilities.

As part of the next wave of inspections announced yesterday by the Secretary of State, the CQC will carry out inspections not only on a nine-to-five, Monday to Friday basis, but outside normal hours so that we get the fullest possible picture. That is essential and it is right for that point to be raised. The CQC will undertake 500 inspections, also outside normal hours, to look at residential care for elderly people. It will look at the care and welfare of service users and their nutritional needs, which will shine an important light on issues of dignity and care in the sector. The CQC will not only highlight care homes that are not performing well; it will put those that are as they should be into the spotlight to take the applause they deserve when they get it right.

Let me put the debate into context. There is nothing inevitable about illness and disability in old age. Dementia or falling over are not normal parts of ageing; illness and ageing are not synonymous, and we must get that point across when designing our systems. That does not mean that an ageing population poses no challenges to our health care system because it does, but it is also a cause for celebration. The age shift taking place in our society is one of the biggest challenges we face, and it is right that Parliament should spend more time debating it.

Caring for older people is the everyday business of the NHS and a core part of what it does. People over 65 account for 65% of hospital admissions and 70% of bed days. We must, therefore, look carefully, critically and constructively at how the model of care needs to adapt to address those needs. We have an episodic model but we need one that reflects co-morbidities, complexity and long-term conditions. That is the challenge, and it requires the debate that we shall have on social care, which is the other side of the same coin.

The hon. Member for Nottingham South (Lilian Greenwood) referred to dementia. We estimate that a quarter of people in every adult acute hospital suffer from dementia or confusion that is often undiagnosed and too often ignored. That failure to diagnose can add days to the length of a person's stay in hospital, and create additional distress for the patient and their family. The hon. Member for Waveney spoke of a sense of déjà-vu, which I feel that I have shared for many years. In opposition, I repeatedly raised the issues under discussion and argued that at their root lie ageist assumptions and practices. Time and time again, I pressed for a systematic approach to ageism in the NHS, and for the law to state beyond doubt that ageism is unacceptable; one of my first acts as a Minister was to rule out any exemptions from the age discrimination duty for the NHS. In future, the arbitrary use of age cannot be used in the NHS as a means of limiting the care and treatment that older people receive.

The introduction of the equality delivery system across the NHS, involving leadership at all levels, means that for the first time a mechanism is in place to challenge and change the culture and behaviours that allow ageism to prosper. I greatly welcome the initiative led by the NHS Confederation, the Local Government Association and Age UK to look at issues of dignity, and the Department is working closely with them on that. We expect, however, that the work will look beyond analysing problems; we have done too much of that and there are too many reports sitting on shelves. The problem has been analysed but we now need practical steps to deliver change.

A debate such as this must go beyond discussing the problems; we must highlight the stories that are told less often. In many places, care is exceptional and excellent, and 45 of the hospitals inspected were fully compliant with the essential standards. Many NHS trusts take care seriously and want to get it right for older people. At University Hospital Southampton NHS Trust, for example, the Southampton meal-time assistance study is evaluating the effectiveness of additional help from volunteers at meal times on acute medical wards for older people. University Hospitals Birmingham NHS Trust is implementing a systematic trust-wide approach to improve dignity, which includes using the stories of

[Paul Burstow]

carers and patients—the story related by the hon. Member for Bolton West would be relevant—in its clinical governance arrangements and regular dignity rounds. The Department has funded work by the Royal College of Nursing on improving dementia care in general hospitals. That initiative was launched in September, and the RCN spelt out its commitment to the care of people with dementia and noted the critical factors essential to delivering good quality care.

There is, therefore, no shortage of tools, guidance, ideas or initiatives that can be taken to tackle these issues. If we get safe and dignified care right for older people, we will get it right for the majority of those who use our health service. It is not always about money but about attitude, approach and doing things differently. Often, it can be something simple such as putting ourselves in the patient's position and looking at the service through their eyes. At Sheffield's Northern General hospital, for example, patients and carers were concerned because they could not tell the difference between different types of staff on the ward, so staff put up colourful and simple posters around the hospital that identified them by the colour of their clothing. That suddenly lifted a barrier to patients' understanding of what was going on around them, and made a real difference.

Several hon. Members have mentioned staffing levels, which is an important matter. The CQC expects registered organisations to ensure that they have enough skilled and trained staff to deliver the care expected of them, and failure to comply carries all the relevant enforcement powers and consequences. The RCN has published guidance on staffing ratios, and we expect that to be consulted and used by nurse leaders, who should have the freedom to agree staff profiles for their organisations. We all recognise, however, that it is not an exact science, which returns us to the quality of leadership and culture, which many hon. Members mentioned.

The role of nurses and health care assistants has been mentioned by several hon. Members. At the heart of good nursing lie values of compassion, respect for the rights of the individual, empathy and kindness. The principles of nursing practice are clear and the Government believe that nurses must be recruited for their values, trained for their skills and empowered to practise their values in their work. That means that universities and NHS organisations must work together on the selection of students to ensure that requirements for education and practice are met, not least because the pace of technological and pharmacological change demands higher levels of knowledge and skills to deliver high-quality patient care. Having a degree-educated work force does not mean placing technical competence ahead of values; that is a key point in ensuring that caring does not turn into the specialist service that some hon. Members fear it is becoming.

Caring demands high standards, leadership, and a readiness to challenge poor practice and demonstrate good practice. I will follow up the suggestion about meeting the Nursing and Midwifery Council, and I will ask my officials to discuss the matter with the Minister responsible for nursing, my hon. Friend the Member for Guildford (Anne Milton), who I know takes a close interest in such issues.

The role of health care assistants has been raised, and it is worth noting that the Government have put into legislation for the first time the power to regulate health care assistants. We are breaking new ground, although I am sure some will feel that we are not doing so quickly enough. We are taking a measured approach, however, by legislating for the Council for Healthcare Regulatory Excellence to establish a voluntary registration scheme that will set a benchmark for training, conduct and competence. However, it is our view that it is right to place responsibility fully and squarely on employers to decide whether to select staff on the basis of their registration. They must ensure that staff have received the necessary training for the role that they are undertaking.

The hon. Member for Wirral South (Alison McGovern) made a very important point, which I encapsulate in this way. We have an NHS that all too often can be described in industrial process terms. We need an NHS that is all about personalisation and that is personalised to the individual. That is an important part of the transformation that we need.

Leadership has rightly been talked about a lot in the debate. It is critical. Directors of nursing, medical directors and other health professionals must deal with the issues raised in the CQC report. Just as the CQC has turned a spotlight on dignity and nutrition, so too must every NHS trust look at the report and take a long hard look at itself and the stories that this debate has highlighted. Too often after things have gone wrong, we learn time and time again—sadly, the debate has underlined that point—about the staff who tried to alert senior clinical colleagues or managers only to be ignored or, even worse, victimised, or about the patients and families who have been on the sharp end of appalling care and who are marginalised, with their experience not being used to challenge and change poor practice.

We all have such cases in our mailbags. We have all had constituents in our surgeries who feel let down because they have not been listened to and who do not feel that there has been any learning as a consequence of their experience. There can be no place in the NHS where staff feel unable to speak up when patients are being put at risk, and no place in the NHS where the voice of patients and carers is not heard loud and clear.

When the hon. Member for Worsley and Eccles South (Barbara Keeley) talked about complaints handling, she made very important points. Getting redress or an apology should not be a battle. People should not have to feel that the lessons are not being learned. It must be staff on the front line who work on the wards every day and see poor care—patients not being fed properly, privacy neglected, poor continence care or, as the hon. Lady said, pain relief overlooked—who change things for the better. That is why we are placing all providers under a duty of candour and why we are strengthening the NHS constitution to put beyond doubt the duty on managers to support staff who raise concerns about the quality of care. That point was touched on in the debate. We need to send a clear message that managers must support staff who raise concerns about the quality of care. It is also why we are establishing HealthWatch England and local HealthWatch to champion the interests of patients and carers.

There can be and should be no hiding place for poor care. The CQC inspections that the Government ordered are part of the work to take that agenda forward, but

are by no means all of it. There is no magic bullet solution to this problem. We need a wide range of things: an effective inspection and regulation regime, which measures what matters to patients and carers and then takes action; guidance on what good practice looks like—for instance, the range of National Institute for Health and Clinical Excellence quality standards and guidelines on older people's care; and the systematic involvement of older people and carers in the design of services from the outset.

We need greater transparency on complaints. We must ensure that we get it right the first time and that we value complaints as a way of learning and changing the way organisations and leaders in organisations behave. Feedback is needed to improve services. People must seek continuously to improve services. Another element is use of the law. We sometimes debate human rights in a very negative way. In this area, human rights are central, and we must deliver them for older people. We must use our equalities duty legislation as well.

Another requirement is effective advocacy and leadership from professions at every level—at ward level, at institution level and at the level of the Royal Colleges and specialist societies. We need a work force supported with the training and skills to make them fit to care for an ageing population. That is a new challenge, and we need to adapt to meet it. Other requirements are advocacy and support from the voluntary sector and—notwithstanding some of our debates about system change—system incentives, such as outcome indicators and best practice tariffs to drive the right behaviours. We need much more transparency around performance data, such as those provided by CQC inspections, audits and satisfaction surveys. We need a greater focus on integration—many hon. Members touched on this—so that older people are in hospital only when they need to be. Hospital is not the right place for most older people in most circumstances.

This is about culture and systems. The Government recognise that. We know that we cannot do it on our own. We are working with others to make the changes that are needed. Yes, there has to be action now. The Government are taking immediate action by casting the spotlight where it needs to be. We must then sustain the action to get the transformation that is essential to delivering quality of care and the dignity and rights of older people in the NHS and anywhere else they need care.

5.15 pm

Margot James: It is a pleasure to speak under your chairmanship, Mrs Brooke. We have had an extremely illuminating and, at times, distressing debate. I am very grateful to all hon. Members who took part, including those who have had to leave, for bringing so many aspects of this difficult problem into the open and for making so many constructive suggestions about how we might improve things. I should like to set out a few of the lessons that I have learned from hon. Members during the debate.

My hon. Friend the Member for Suffolk Coastal (Dr Coffey) set an example of the importance of the job that we sometimes have of challenging the institutions on which so many of our constituents depend. I wish her and my hon. Friend the Member for Waveney (Peter Aldous) every success in dealing with the hospital on their patch and working with the CQC to bring about a quicker resolution to the problems that they encounter there.

I found noteworthy the issues facing rural areas to which my hon. Friend the Member for Suffolk Coastal referred, because I represent a suburban area. It is interesting to note that ambulance response times can be so long in rural communities. It is very important that the NHS is able to be flexible enough to cope with all the communities in our country.

The hon. Member for Blaenau Gwent (Nick Smith) gave us the benefit of his experience as a member of the Public Accounts Committee. I was pleased that he focused so much on the residential home sector, which is so relevant to the lives of many older people and about which a similar level of concern has been expressed in many reports. I was horrified, although slightly amused, I suppose, by the tambourine example. It was so powerful and so wrong. It will stay with me as a reminder of the many challenges that we have ahead in dealing with this issue.

I mentioned the issue with the James Paget hospital that my hon. Friend the Member for Waveney is dealing with. He raises the question that many Governments have grappled with—how to get resourcing out of the acute sector and into the community, the area of prevention and helping people with long-term medical conditions. That is very important. I wish the present Government well in seeing whether they can crack that pressing problem, which has been with us for least two decades, to my recollection. My hon. Friend also mentioned what I think is a very good idea—mandatory malnutrition rates and finding out what can be done to ensure that we target that area of deficiency in the NHS.

My hon. Friend the Member for Truro and Falmouth (Sarah Newton), who has secured a Back-Bench debate on the Dilnot report to be held two weeks today, which I am sure as many Members as possible will attend, focused on the complaints process, which I touched on briefly. It is important that the Government learn from the ombudsman's report, "Listening and Learning", and implement improvements.

My hon. Friend also mentioned something I have come across in my work with older people in the NHS—language skills. It is completely unacceptable if any carer—any caring member of staff—cannot communicate competently in English with older people, and we should tackle that. She also touched on the rural dimension and on the fact, which was terrible to hear, that her constituents have only one hospital, which inevitably makes people frightened to complain; there is no other choice.

The hon. Member for Wirral South (Alison McGovern) talked movingly about dignity and about older people in society, on which I hope we will hold a debate at some point. The hon. Member for Leicester West (Liz Kendall), whom I congratulate on her new role as shadow Minister, said that the topic could be a debate in its own right, and I am sure that a Member will secure one at some point. I share her belief in the importance of values: most people who work in the NHS have the values that we expect, and as she said, they have to be empowered to make choices and decisions that reflect those values.

The hon. Lady talked about many important areas and enlightened us about the Royal College of Nursing's staff-to-patient ratios. It is quite wrong that the accepted

[Margot James]

ratio in a ward with a considerable number of older people is 1:10, whereas a paediatric ward is quite rightly staffed at a ratio of 1:4. The Government should also consider what can be done about concerns regarding the skill mix and the management of resources.

The hon. Lady made some interesting observations about the history of the NHS—how it began in response to cures and to treating people with illnesses that were likely to get better, and how it has not quite kept pace with the number of people who grow to an old age, some of whom need help with care and, perhaps, dying with dignity.

The hon. Lady made a point, on which neither I nor any other Member had focused, about doctors, who provide a huge amount of care in hospitals.

The hon. Member for Bolton West (Julie Hilling) commanded our attention with the moving story of the dreadful time that she and her family had experienced with her mother. I think I can speak for everyone when I say that we wish her mother a continued recovery. It was impossible to determine how the story would end when the hon. Lady was speaking, but it is marvellous that after all the family has been through her mother is on the mend, and we hope that she will recover as much of her former joy of life as possible.

I am grateful for and most encouraged by the Minister's reply to the debate. He reminded us of the Government's recent decision to ensure that ageism is not tolerated in the NHS or the Department of Health, which is a good development. He cited many examples of good work and guidance, of which he said there was no shortage, of leadership and management and of spreading good work and guidance into more areas of the delivery of NHS care. I am particularly delighted that he has promised to discuss with the nursing Minister, my hon. Friend the Member for Guildford (Anne Milton), my proposals on nurse training, and how an apprenticeship model should increasingly underpin the degrees nurses take to qualify.

I hope I have covered the important issues that Members have raised today. I thank those who supported my bid for a debate to the Backbench Business Committee and all those who attended this afternoon and made such an important contribution.

Question put and agreed to.

5.25 pm

Sitting adjourned.

Westminster Hall

Tuesday 1 November 2011

[MR JAMES GRAY *in the Chair*]

UK Relations: Libya

Motion made, and Question proposed, That the sitting be now adjourned.—*(Mr Newmark.)*

9.30 am

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Thank you for calling me to speak in the debate, Mr Gray. Some time ago, the late Robin Cook—a man of considerable intellect and experience—spoke about an ethical foreign policy. This new drive, which would shape Britain's engagement with countries around the world, would be based on our ability to engage in a more ethical way in the modern era, thus protecting our image and branding throughout the international community. Was that a naive objective? As I say, it was formulated and proposed by somebody with considerable experience, and it was certainly a commendable aspiration.

However, following the disastrous engagement in Iraq, and the illegal war that the Labour party pursued there, Mr Blair had a problem with his party and the country. He therefore sought out somebody who would enable him to show the world that although he was making war by force, he could also make peace through international diplomacy. Who better to choose than an isolated figure, ridiculed in the Arab League, with no friends? Mr Blair chose Colonel Gaddafi, who was so bereft of friends that he could be enticed into the little deal—the little charade or rapprochement—that Mr Blair pursued with him.

We were told at the time that as a quid pro quo for this rapprochement, the weapons of mass destruction that Colonel Gaddafi had amassed would be handed over and sent for evaluation and, ultimately, dismantling somewhere in North Carolina in the United States of America. I do not know about you, Mr Gray, but I do not know what those weapons of mass destruction consisted of, how many there were, or what their quality and calibre was. For all I know, Gaddafi may have had just a pea-shooter; his total inability to defend himself in the recent war certainly shows a rather chaotic approach to military strategy.

I did not want rapprochement with Gaddafi, purely because I knew from many friends in Libya, and from having visited the country, of the appalling human rights abuses that this tyrant perpetrated against his people over decades. I hope Members will agree that that does not fit in with the ethical foreign policy espoused with such fanfare by the previous Labour Government.

I have a gripe with not just the Labour Government, but the Scottish National party Government in Scotland. When they were about to release the convicted bomber al-Megrahi, I pleaded with Alex Salmond and the Scottish Justice Secretary not to do so. I also pleaded with the former Labour Prime Minister, the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown), on the Floor of the House to intervene with the Scottish Government to prevent the bomber being released. Of course, he told me, "This is nothing to do with us. This is a purely Scottish matter." Despite the fact that releasing al-Megrahi could have had huge ramifications for the United Kingdom's foreign policy, the previous Labour Government said, "It's nothing to do with us." I am absolutely convinced that our current Prime Minister would not have acted in such a way.

Glyn Davies (Montgomeryshire) (Con): Does my hon. Friend regret that the Scottish Government have not apologised for what happened, given that although their action was taken on the assumption that the man had less than six months to live, he is, as far as I know, still alive?

Daniel Kawczynski: Yes, I totally concur with my hon. Friend. Indeed, I think that we were told that he had less than three months, not six months, to live, but he is still alive somewhere in Tripoli, two years on.

So passionately did I feel about the release of al-Megrahi that I even travelled to Qatar for an international conference. In front of a totally Arab audience in debates in Doha, I and others won the debate on a motion saying that the house deplored the release of the Lockerbie bomber. A young girl from the United Arab Emirates told me, "On the one hand, you expect us to join you in your war against international terrorism, but on the other hand, you are releasing a convicted bomber who was involved in the worst terrorist atrocity committed on UK soil since the second world war." That was a very salient, pertinent point, and it certainly stuck in my mind.

Robert Halfon (Harlow) (Con): I thank my hon. Friend for securing this important debate. Does he agree that the release of al-Megrahi marked the low point in the previous Government's appeasement of Gaddafi? Does he also agree that they were hiding behind the fig leaf of devolution, given all the revelations that there have been about the surrounding commercial deals between them and Libya at the time?

Daniel Kawczynski: I totally concur with my hon. Friend. The United Kingdom's reputation was greatly damaged at the time. As I suggested, other Arab League leaders were so contemptuous of this bizarre, tyrannical clown that they told me and others, "If the United Kingdom cannot grapple effectively with Gaddafi, who can they effectively engage with and have a meaningful relationship with?".

I stopped the previous Labour Foreign Secretary, the right hon. Member for South Shields (David Miliband)—the man who aspired to lead the Labour party—in the Members' Lobby to ask him about PC Yvonne Fletcher. The Foreign Office had ignored her relatives for years—letter after letter had gone ignored—so to get him finally to meet them, I had to write an open letter on Conservative Home demanding that he did so. Before I did that, however, I stopped him in the Members' Lobby and asked him to raise these issues and to assist me in fighting for PC Yvonne Fletcher and the victims of the IRA, who had suffered because of Gaddafi's funding of it. To quote him verbatim, he said, "Don't rock the boat now, Kawczynski. We're in very delicate negotiations with Colonel Gaddafi—rapprochement. We don't want you rocking the boat." He basically told me to shut up

[Daniel Kawczynski]

and not to try to stir things up. That is why I believe his judgment was wrong, and why I commend the Labour party on not electing him as leader; I do not think that he is fit to be the leader of the Labour party, given his action then.

I hope that the shadow Minister will agree that this was not Labour's best moment or its finest hour. How would the Libyan people view us now, if all they had to go on was the incredible rapprochement between Mr Blair and Colonel Gaddafi, and all the pictures of them smiling together in the tent where they met? I contrast that with the superb leadership that our current Prime Minister has shown in helping to secure UN resolution 1973 in order to ensure that NATO's intervention to protect the citizens of Libya was legal.

I remember going back to my apartment after a late-night vote in February, and watching Colonel Gaddafi on Sky News promising that he would hunt the rebels down city by city, street by street and wardrobe by wardrobe—that was the expression he used. He promised the world that a bloodbath would ensue on the streets of Benghazi and Tobruk if he were given an unfettered opportunity to pursue that. That night I texted the Prime Minister's Parliamentary Private Secretary three or four times, pleading with him to take the message to the Prime Minister that we must intervene to help those courageous people in Libya, fighting for their freedom against a brutal tyrant. I thank the Prime Minister for taking the decision to support the people, and I rejoice in, and thank God for, the fact that not a single member of British service personnel lost their life. If we contrast that with previous military operations, we see that it is something for which we should all be extremely grateful.

Our interaction with Libya reminds me of something that the Prime Minister said at the Conservative party conference:

> "It's not the size of the dog in the fight—it's the size of the fight in the dog".

That encapsulates how, despite the extraordinary problems that this country has—the huge economic deficit that the Labour party so kindly bequeathed us—we can still intervene around the world and help people who are worse off than us, and protect them when they struggle for the freedom that we have enjoyed for such a long time.

Among the things that I have done as a Member of Parliament in the past six years, one of the most pertinent to this debate and the most solemn has been to stand in the British war cemetery in Tripoli. It has beautiful green grass, immaculately cut, and beautiful headstones, immaculately washed. It contrasts with the surrounding district, which is rather shabby and dusty. I stood for hours looking at the headstones of our young service personnel who died so tragically, liberating Tripoli during the second world war. It is deeply striking that so many of them were so young: 22 or 23—some as young as 20. They all died in January 1942 in the liberation of Tripoli, and there is row after row of headstones. I hope that those sacrifices during the second world war, and what we have done, today show the people of Libya that they can trust and depend on us. I pay tribute to a dear friend of mine from my constituency—Mr Ted Sharp, who was a desert rat. I have spent many hours listening to his stories of how there were no food supplies at one stage; some of the desert rats were like skeletons. They went through terrible suffering to free Libya.

The manner in which Colonel Gaddafi died rather shocked me, but I did not shed many tears for his passing. The way in which he was killed shows how despised he was by the Libyan people, but I was disappointed that he was not captured and put on trial. It would have given me great satisfaction to see him atone for the brutality he meted out to his own people for so long.

Robert Halfon: Does my hon. Friend agree that what happened to Gaddafi and the manner of his death make it all the more important that his family be put on trial, both in Libya and the International Court of Justice, to ensure that the rule of law is followed, and that those people atone properly for their crimes?

Daniel Kawczynski: I very much agree with my hon. Friend.

Bob Stewart (Beckenham) (Con): At the point of capture, it is difficult to control forces that were not particularly under control in the first place; the testosterone is flowing. People probably just wanted to get rid of Gaddafi there and then. I do not blame those soldiers who killed Gaddafi. Like my hon. Friend, I regret it, but I understand exactly what was going on. They were in the height of battle, their testosterone was flowing, and they just went for it and killed him, because he was the tyrant.

Daniel Kawczynski: I agree. In fact, my understanding is that one of the people involved in his death was from Misrata, and his sister had been raped by Libyan soldiers loyal to Colonel Gaddafi, so I concur with my hon. Friend.

To return to the point made by my hon. Friend the Member for Harlow (Robert Halfon), I have tabled an early-day motion on the issue, calling on the Government of Niger to respect international law and acquiesce in ensuring that the relevant members of the Gaddafi clan—up to 30 loyalists are allegedly in Niger—are extradited to the International Court of Justice at The Hague. My first question to the Minister is this: what discussions is his Department having with the Government of Niger—and with the Governments of Mali and Algeria, where other Gaddafi loyalists are said to be seeking sanctuary? The most important of those loyalists is, of course, Saif al-Islam Gaddafi, who apparently is hovering somewhere around the Libya-Niger border. I hope that that man will not be killed. I would like him to be brought to justice in the Court at The Hague, and would like to hear what the Minister is doing to interact with the Government of Niger, and others, to achieve that.

Bob Stewart: I apologise for making a second intervention, but I have given evidence in five trials at The Hague, and the writ of the International Criminal Court runs only when a national jurisdiction has indicated that it has no intention of trying individuals who have committed war crimes in its territory. I should like the Gaddafi family and their supporters to go back to Libya. There will be a problem, because of the death

penalty, but that is what I should like, because it is how the Court should work. A national jurisdiction tries those in question first, and if that does not work, they go to The Hague. I would prefer those people to go back to Tripoli.

Daniel Kawczynski: That is an interesting point, and the Minister will have to deal with the Government's position on that. Do we want those people sent to The Hague, or should they go to Libya? I defer to the experience of my hon. Friend the Member for Beckenham (Bob Stewart) in those matters.

I am very supportive of the national transitional council, but I am deeply concerned—I feel passionate about it—that there has been no plebiscite. No referendum has been announced on the sort of constitution that the country will have. We have been told that there will be parliamentary elections in eight months' time, and presidential elections in 18 months. I am extremely concerned that the NTC has already unilaterally decided to state that there will be presidential elections. I think that the last thing the Libyan people want is another Head of State who is a politician. They need to be consulted, so that they can decide what sort of constitution they want. I think that they want a unifying figure: someone who commands respect throughout the country, who is untainted by any previous association with the Gaddafi regime, and who can bring the whole country together in a unifying way. I am not embarrassed to put those issues forward; I do not flinch from doing so. Yes, it is a matter for the Libyan people, but our country has put our service personnel's lives at risk, and we have a right to advise and caution the NTC in that regard.

Graham Stringer (Blackley and Broughton) (Lab): I congratulate the hon. Gentleman on securing this important debate. He is making a fairly straightforward case about international justice and constitutional law, which I follow and by and large agree with. Is he concerned, as I am, about the stories coming out regarding atrocities committed by anti-Gaddafi forces?

Daniel Kawczynski: Yes. The hon. Gentleman makes a good point; there are allegations of atrocities on both sides. My hon. Friend the Member for Beckenham talked about testosterone and the desire to take revenge, and we have heard that serious human rights violations and massacres have taken place, such as the shooting of up to 50 Gaddafi loyalists with their hands tied behind their backs in Sirte. The hon. Member for Blackley and Broughton (Graham Stringer) raises an important point, and I would like to hear from the Minister what the Government's attitude is to ensuring that people are brought to justice.

I believe that the unifying figure who is untainted by Gaddafi and who commands respect in Libya is Crown Prince Mohammed, the heir to the Libyan throne. I have had the great honour and privilege of meeting him; he has lived in London since Gaddafi exiled him and his father from Libya. Gaddafi burned their house down in front of them and then banished them, and they have lived in London ever since. Crown Prince Mohammed's father subsequently died, but His Royal Highness continues to live in London. Having met him on numerous occasions, I consider him to be, if I may say so, a friend. He is a tremendous counsellor, and I respect him greatly. I have met many leaders around the world in the past six years, but few of them have impressed me as much as Crown Prince Mohammed.

A few weeks ago, I raised directly with the Prime Minister how important it is for him, or at least one of his aides, to meet Crown Prince Mohammed to seek his guidance and views. Foreign Office officials have met Crown Prince Mohammed, but to my knowledge no Foreign Office Minister has yet met him, which I am concerned about. I understand that the Foreign Office does not want to be seen to be manipulating the situation in Tripoli—of course it is for the Libyan people to make decisions—but a member of the el-Senussi family who has extraordinary respect in his own country is living in London; the least the Foreign Office can do is engage with him effectively and properly and find out from him what is happening on the streets of Libya.

The Foreign Office will of course be told a lot by the national transitional council about what the council wants the Foreign Office to know, but I am hearing from Libya—from town councils and the people on the streets of Tobruk, Benghazi and other cities—that many people are holding exhibitions about the history of Libya, which is something that they were deprived of under Gaddafi. Many people are holding exhibitions about the royal family, the late King Idris and Crown Prince Mohammed.

The Foreign Office must be careful. Having spent so much taxpayer money on pursuing the liberation of Libya, we want to ensure that the Libyan people are consulted, and that their will comes through. If they wish to have a constitutional monarchy, as I believe they do, that should be put to them in a referendum, so that they can decide of their own accord, rather than the unelected NTC unilaterally deciding that the Libyan people should have a politician as their Head of State in perpetuity.

Bob Stewart: I, too, have met Crown Prince Mohammed, although he is not as big a friend to me as he is to my hon. Friend. I know that Crown Prince Mohammed has had contact with the Foreign and Commonwealth Office, so it is fully aware of the situation. I subscribe totally to my hon. Friend's contention that there should be a general election before a presidential one, and I, too, would like someone such as Crown Prince Mohammed to become Libya's Head of State. However, it cannot be done just like that; the Libyan people have to ask for it. That is fair.

Daniel Kawczynski: I agree with my hon. Friend, but after 42 years of absolute and tyrannical despotism, it is not unreasonable to have a referendum or plebiscite. Let the people decide. Give them the options. We in this country had a ludicrous referendum on changing the voting system, which I was furious about, as chairman of the all-party group for the promotion of first past the post.

Mr James Gray (in the Chair): Order. The hon. Gentleman is straying off the subject.

Daniel Kawczynski: Sorry, Mr Gray. I had to get that one in; I could not resist. If we can have referendums on trivia such as changing the voting system, the people of Libya should be given the once-in-a-lifetime opportunity

[Daniel Kawczynski]

to decide what constitution they want. I thank God that we have such a wonderful Head of State as Her Majesty. Some of the most stable countries in the world, such as Denmark, have monarchies. Interestingly, even in the Arab world, people have not rebelled or shown hostility to Governments in countries that have monarchies. I therefore think that monarchy is a stabilising factor.

I would like Niger to hand over Saif al-Islam and others associated with Gaddafi's regime either to Libya, as my hon. Friend the Member for Beckenham suggested, or the Court in The Hague. I want Saif al-Islam to be captured alive, and I hope that the Government will give me their perspective on that. Do they, too, want him captured alive, so that he can account for some of the crimes committed?

I would like the Government to help the Libyan authorities to find all the money stolen—the billions that have been squirreled away in vaults and bank accounts all over the world, from Liechtenstein to the Cayman Islands. Given the expertise that we have in our country, we should offer the Libyan Government some assistance. London is the financial capital of the world, and we can play a part in helping the Libyan authorities to find all the frozen and other assets that have hitherto not been traced.

One of the most important aspects of the matter is compensation for IRA victims. Colonel Gaddafi provided the IRA with Semtex for many years. I was slightly concerned to read a report in *The Sunday Times* last week that a private law firm was already asking the NTC to hand over £450 million in compensation. I have two concerns about that. First, that is unduly hasty. Although I am desperate for the families of IRA victims to receive compensation, it might be slightly too hasty to start asking for £450 million in compensation when Libya is practically on its knees, with limited electricity, water and other supplies, even though I would support such a request in the future.

Secondly—I shall emphasise this time and again—I certainly do not want a private law firm to be responsible for bilateral negotiations with the Libyan Government on compensation for IRA victims. It is not for a private law firm to undertake that huge job. I want every single penny piece of that money, when it is handed over, to go to the victims of IRA atrocities. I do not want a private law firm to get £1 million, £2 million, £10 million or £15 million—according to the various reports—of that money. Every single penny piece has to go to the victims. I have raised that point with the Prime Minister in a private meeting, and I expect to hear from the Foreign Office that it will take responsibility for the negotiations to ensure that the private law firm does not make any profit out of the case. We, the state, sacrificed hundreds of millions of pounds and put the lives of our service personnel at risk to liberate Libya, and it is for us to ensure that compensation goes to the victims of IRA atrocities. We do not want some private law firm dishing out the money and making the profits.

Christmas eve will mark the 60th anniversary of the liberation of Libya. I would love to attend the celebrations, but obviously I must be with my family at that time. I am sure that the Libyans would greatly appreciate it if somebody from the Foreign Office went to Tripoli to celebrate their 60th anniversary of freedom.

Will the Minister tell us what will happen about the prosecution of the killer of PC Yvonne Fletcher? Are we happy for this matter to be brought to justice in a Libyan court, or do we want the killer to be extradited to the United Kingdom? In the past, I have said that British justice could not be attained in a Libyan court under Gaddafi's jurisdiction. During the Gaddafi regime, Scotland Yard had been going back and forth between Tripoli and the UK, and when it was close to getting its man, Gaddafi, in yet another game of cat and mouse, stopped issuing visas. However, things have changed, so I would be interested to hear what our line on that is.

When the new Secretary of State for Defence went to Libya, he said to British companies, "Pack your bags and come here to reconstruct Libya." I totally agree with him; there are huge opportunities for British firms to help with the reconstruction of Libya. Will the Minister tell us what UK Trade & Investment is doing on that? I had the pleasure of meeting Lord Green, the head of UKTI, in the House of Commons recently, and he told me about some of the changes that he wants to put in place to make his organisation more effective. I would like to know exactly what is happening on the ground.

Many consultants have come to see me and have said, "Look, we have been tasked with finding various companies to do x, y and z in Libya, but we cannot find British companies to do it. The only companies that are prepared to do anything are Danish, Austrian or German, and we are desperate to find a British company to carry out the work." British companies are hesitant about going to Libya because of security issues and other such matters. I very much regret that. We are the ones who go in and liberate the country, and then everyone else goes in and gets all the business. The British are rather circumspect about such things, but we cannot afford to be. We should not be embarrassed to go out there with our companies for the mutually beneficial reason of reconstructing the country. We must stop this British sentimentality. We must not think, "Oh no, we must not sully our fingers with the business aspects of this."

The Minister of State, Foreign and Commonwealth Office (Mr Jeremy Browne): I would not normally interrupt a speech at this point, but I would like to reassure my hon. Friend on this niche specific issue. Lord Green went to Libya in late September, and there have been conferences here on investment opportunities in Libya. The UKTI staff are very much part of our team at the embassy in Tripoli. I hope that efforts are being made—efforts that my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) will support—because we are well aware of the opportunities, and wish to seize them in the proper way.

Daniel Kawczynski: I thank the Minister for that. I recently had a meeting with a lieutenant-colonel who had served in Basra. He told me that when he met Mr Blair, he said, "Okay, we brought peace to Basra, so where are all the suits?". In other words, he wanted to know why Mr Blair had not brought in British companies to reconstruct Basra. Some of the huge problems that we have had in Iraq stem from the fact that we were too slow in bringing in British companies to reconstruct the country. However, we could not have just said, "Look,

pack your bags and go to Iraq." Many companies would have found that difficult, and we are now saying the same of Libya.

Jim Shannon (Strangford) (DUP): In my constituency, there are a number of companies that are very keen to do business in the region. The trip that the Minister mentioned may have been an opportunity for them to do just that, but the incentive for British business to get involved is not fully pushed by Government. Does the hon. Gentleman feel that the Government should do more to encourage local companies, especially when so many are keen to do business?

Daniel Kawczynski: I agree with the hon. Gentleman. I have had meetings with leading industrialists, and with various Army officers who have served in Iraq and other parts of the world and who have experience of such matters. We have compiled a report, which we will send to the Prime Minister and the Minister, outlining some of the things that the Government have to put in place to ensure that there is confidence, and encouragement for British companies to go out there. The French are brilliant at that; they have a body called COFACE, which I visited in Paris many years ago. It is a nationwide organisation that insures, underpins and takes some of the risk out of French companies going abroad and investing in such projects. The Government should start up a similar insurance fund. We will put in £50 million, the Libyans will put in £50 million, and we will get another few hundred million from wealthy Arab countries. We will then pool the money, and it will act as an insurance policy for British companies that are reconstructing Libya.

I will send the report to the Minister, as well as to the Prime Minister, because we must get a grip on the issue. I could tell the Minister the names of hundreds of companies that I have met in the past six months that would like to work in Libya, but do not know how to go about it. They ask me about guarantees and about what kind of political support is in place.

Yesterday, I met the Labour peer, Baroness Symons, whom I respect greatly. She said that there had been good engagement with Libya previously. I hope that the Minister is aware that the Law Society has been in Libya to help with the rule of law and arbitration. The British Council has operated in Libya, advising on issues to do with women. Welsh universities have signed memorandums of understanding with the Libyan Education Minister to work and interact with Libyan universities. The Westminster Foundation for Democracy has been helping to develop democratic institutions and civil society. Crown Agents were also in the country, working on anti-corruption measures. Those wonderful institutions were already working in Libya under Gaddafi, and I pay tribute to the previous Labour Government for getting them into the country. However, I do not know how successful those institutions were under the brutal Gaddafi regime. Certainly, now that Libya is free, I hope that the Minister will do everything possible to help the Law Society, the British Council, Welsh universities, the Westminster Foundation for Democracy, Crown Agents and others to get to Libya to underpin all that work and to help start reconstructing the country.

The European Union had negotiations with the Gaddafi regime on various trade agreements, and I hope that those are speeded up as well. Apparently, Dominic Asquith has been a representative of Her Majesty's Government in Libya, and I am keen to know what his views are.

Libya has been a passion for me all my life. When I was growing up in Poland under the communist regime, we had nothing. The regime was brutal and tyrannical, and everything was rationed. My late uncle and his family worked in Libya, and they used to send oranges from Tripoli to Warsaw. Receiving those oranges at kindergarten was like a miraculous experience. Children in Warsaw in 1978 did not know what oranges were; we had never seen these things. We peeled the oranges delicately, we ate them, we made marmalade out of the peel, we drew them and we talked about them. They were incredible to us. Of course, most days now I peel an orange and I do not think about it, but as a child in 1978 I thought, "What sort of paradise must this be for them to have these sorts of things?". My interest in Libya has stemmed from that early childhood experience.

I love the Libyan people and I love Libya. I am so passionate about the country, and I am so grateful that the brutal tyrant has been deposed. I look forward to the people of the UK having a very strong friendship with the people of Libya for the rest of my lifetime.

10.11 am

Stephen Gilbert (St Austell and Newquay) (LD): Thank you very much, Mr Gray, for calling me to speak. It is a pleasure to serve under your chairmanship this morning.

I congratulate my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) on securing this timely debate. In introducing it, he once again showed his expertise and personal experience, and we are indeed lucky to have him. He set out a compelling account of some of the legacy issues involved in the future of Libya, and he raised other important issues.

As we know, a week ago on 23 October the national transitional council of Libya celebrated the country's new-found and hard-fought independence. That marked the end of the first chapter in a new story for Libya. Back in March, I welcomed UN Security Council resolutions 1970 and 1973, as well as NATO's Operation Unified Protector. It was my view then, and it remains my view today, that we could not have stood by and watched the inevitable bloody reprisals of a despotic regime. We were right to take action, and we were right to do so with the clear backing of international law and indeed of neighbouring countries.

Like my hon. Friend, I commend our forces, who stood in harm's way in the long tradition of our military's fight against tyranny. However, the success that should be praised above all, as my hon. Friend so eloquently put it, belongs to the Libyan people who rose up, defied a dictator and seized control of their own destiny. They are doubly brave, because they have not only thrown off the shackles of the Gaddafi state but embarked on the long and arduous journey towards a free and democratic society of their own choosing.

As we have seen in other countries during the Arab spring, and indeed as we have seen throughout history, democracy is a long and hard journey, and it is not a quick or close destination. Like the people of every democracy, including the British people, the Libyans have much work to do, and we must help them whenever they ask for it. Securing the future of Libya must now be a priority for Her Majesty's Government.

[Stephen Gilbert]

Since the end of the conflict, we have seen swift action by the Department for International Development to put in place a programme of humanitarian aid. That work builds on DFID's success during the conflict in providing much needed aid on the ground in Libya—at the borders and inside the Libyan border—to help those who needed help most. DFID's work has been seamless with the work of other organisations, such as the World Health Organisation, the International Organisation for Migration and the International Committee of the Red Cross. It is right that DFID continues to play a leading role in the stabilisation and reconstruction efforts in Libya.

As we know, the national transitional council itself has called for a continuing NATO military presence in the region. I, like many others in the House, welcomed the end of NATO military operations in Libya at midnight last night, but we must be prepared to offer assistance if the need for it arises. Consequently, I welcome the recent visit of the Chief of the Defence Staff to the Doha conference on Libya and the support that he offered to the national transitional council, in terms of assistance with specific capability requests for military support as Libya makes its transition to democracy.

With the end of military operations and the return to relative peace and normality, a new and exciting chapter in Libyan history is beginning. It is my view that Britain must build on the work that we have started with the Libyans—for example, we are already providing support for policing. I commend the work of the stabilisation unit to date, and I hope that the Minister will give assurances that it will be properly resourced in the future. We must continue to help to build the institutions of a civil society and to promote the rule of law.

It is vital that the relevant Departments of the UK Government involved in all areas of reconstruction, assistance, enterprise and business work together in a co-ordinated fashion to achieve the optimum results in the shortest possible time. Unco-ordinated efforts run the risk of duplicating work, wasting resources and hampering the emergence of a well-defined, strong and confident Libya.

We should also be working with other countries involved in the reconstruction of Libya, particularly our NATO partners. It would be nonsense if we succeeded in working together to protect the Libyan people in war but were unable to help them coherently in peace.

Bob Stewart: The most important matter that must be addressed by those in authority in Libya is ensuring the security and well-being of the Libyan people. Unless those aims are achieved and unless they remain a constant focus, we run the risk of other, less scrupulous people seizing power in Libya. Also, I totally accept the hon. Gentleman's point that we could put British military teams into Libya to help to train the Libyan armed forces.

Stephen Gilbert: The hon. Gentleman has made my point far more eloquently than me. He has also pre-empted a point that I will come on to later, which is the deweaponisation of Libya.

Overall, we need to see clear direction on the relative importance of the bilateral support to Libyan efforts. At the moment, DFID is ramping up its efforts in Libya, while the Ministry of Defence is scaling down its efforts. If we are to remain engaged in an integrated way, all Departments need to be at the table, and we need clarity from the Government about our overall objectives. How active will we be, Minister? What is good enough in terms of the peace-building effort? And is our main focus going to be trade, governance, stability or all those issues?

An example of the current confusion is the potential divergence between the DFID-led public safety efforts, which my hon. Friend the Member for Shrewsbury and Atcham has mentioned, and the MOD's interest in the security architecture. Unless Her Majesty's Government know what they are trying to achieve collectively in Libya, it will be hard to determine where the various pieces of the jigsaw fit together.

It is important that we are realistic about what the UN and the EU can and cannot do, and what they will and will not do, in Libya. At present, far too many assumptions are being made in Whitehall that the UN will deliver everything that we want it to deliver in the time frames required. It will not do that, particularly within the security sector. Bilateral engagement with Libya by the UK and our NATO allies will be required, but with a view to bringing in the UN, where possible and as soon as possible.

In seeking to aid Libya in its transition, we must also be mindful of how our actions are seen. We should only seek to help Libyan people at their own behest. All our stabilisation efforts must be owned by the local communities. We must never impose, nor appear to be imposing, our systems, beliefs, culture or demands upon the Libyan people. If there is to be a successful transition in Libya to a strong democratic state, it must be a transition that the Libyans themselves have decided upon. Only then will it become entrenched and real.

Of paramount importance in post-war Libya is ensuring that the very weapons used to free the people do not remain in the country long enough to enslave them once again. When a country is awash with small arms, it is at risk of descending into sectarianism, vigilantism and terror. We are already helping the national transitional council in seeking the dangerous weapons that were stockpiled by Gaddafi, and DFID is already helping with demining projects, but we must go further and encourage a much wider demilitarisation of Libya and its people.

Economically, relations between the UK and the new Libya should now move towards development support and enterprise opportunity. In order to prosper fully, Libya will require serious investment and expertise. To that end, I welcome my hon. Friend's suggestion that there should be an insurance scheme to protect British businesses as they venture into Libya to set up operations.

Daniel Kawczynski: I have visited the beautiful Roman ruins in Libya of Leptis Magna and Sabratha, which are the best Roman ruins to be found anywhere around the Mediterranean. Does my hon. Friend agree that there is also huge potential for British tourism in Libya to see not only those ruins but the beautiful Libyan coastline?

Stephen Gilbert: There are opportunities not only for British business in reconstruction, but for British tourism and for cultural exchanges between our universities and

schools. I hope that the relationship between the UK and Libya will flourish on all levels. I am sure that, as we speak, many travel agencies are considering my hon. Friend's suggestion.

I repeat my call for a co-ordinated UK and European economic response to the Arab spring. Whether in Libya or elsewhere in the region, it is vital that we deliver the benefits of economic pluralism to the people to sit alongside their new and hard-won political pluralism. The Libyan people have thrown off the yoke of repression and conformity, and we must now play our part in lifting them and others out of poverty. We must work to see a strong, confident and open Libya setting its own destiny, offering our help where necessary and when asked, and finally able to deliver security and prosperity to its people.

10.20 am

Robert Halfon (Harlow) (Con): It is a pleasure to serve under your chairmanship, Mr Gray. I congratulate my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) on securing the debate. He displays incredible knowledge of the subject, and his book on Gaddafi is an important read. I thank him for setting up the British Mena—middle east and north Africa—Council for parliamentarians, which gives some balance to the debate. I also congratulate my hon. Friend the Member for St Austell and Newquay (Stephen Gilbert) on his thoughtful remarks.

Daniel Kawczynski: I am sorry to intervene so early in my hon. Friend's speech, but he has kindly mentioned my book on Colonel Gaddafi, which I gave to the Prime Minister before the last election. Does he know that in the book I thank him for all his work on Anglo-Libyan relations, referring to him as a rising star in the Conservative party who will be in a future Conservative Government?

Robert Halfon: I thank my hon. Friend. Being British, I blush at such compliments. I do not want this to turn into a mutual love-in.

Yesterday marked the end of British military involvement in Libya, seven months after the no-fly zone was authorised, and I would argue that it was one of the most successful NATO operations in history. It proved, all the more importantly after the Iraq conflict, that intervention can work and that Britain can fight for peace and democracy. Although I was disappointed at the manner of Gaddafi's death because it would have been better for him to be tried in the international courts, I wish that my grandfather, Renato Halfon, was alive now to have seen his demise.

In 1968, after some anti-Jewish pogroms, my grandfather was forced to leave Libya and, as an Italian Jew, he went to Rome. He had planned to return to Tripoli once the pogroms had subsided, but Gaddafi took power in 1969 and all the Jewish businesses and my grandfather's home were taken. The same thing happened to the Jews and the Italians. Luckily, my grandfather had sent my father to England some years earlier. I love Britain—I was born here and would not live anywhere else—but I feel a deep concoction of Jewish and Italian from Libya, which has been awakened by recent events. I listened with considerable interest to the story that my hon. Friend the Member for Shrewsbury and Atcham told about being in Poland, particularly the part about the oranges, and about what motivated him to fight for freedom in Libya.

It has been good to have conversations with my father and his friends from Libya to try to understand what it was like in those days. My grandfather had a clothing business and sold clothes to the British, and he always said that they were the only people who paid on time. He loved this country more than anything; he thought that the streets were metaphorically paved with gold and that everyone in England was a gentleman. It is worth remembering that King Idris was installed as monarch of Libya in 1951 by the British, in the aftermath of the war, when Libya gained independence from Italy and the old colonial name Tripolitania disappeared.

Although my grandfather and many other people had contempt for Gaddafi, we must acknowledge that in the early days the colonel was not a monster. My father remembers him becoming a rapidly popular figure, who before the coup used to walk down the famous Italian street in Tripoli, Corso Vittorio Emanuele—I think it is now called Jadat Istiklal—shaking hands with passers-by, including my father, wearing a broad serene smile and speaking loudly. He was articulate and nurtured dreams of pan-Arabism, and because of King Idris's benign weakness, he became known as the liberator. Astonishing as it might seem, he was seen as sympathetic to western interests, and so the Americans, who controlled the large Wheelus air base outside Tripoli, did nothing to stop the coup d'état against the king. No one imagined that Gaddafi would become the monster he did and impose a 42-year totalitarian regime. Now he has gone, everyone is asking, "What next? Will it be a repeat of Iraq in the aftermath of the overthrow of Saddam Hussein?"

It is worth emphasising that a yearning for freedom is deep in every human breast and should be nurtured and supported. The Libyan people deserve freedom just as much as we do in the west. For years, the realist school of foreign policy—I am sure that the Minister is not of that school—has argued that the middle east is not ready for democracy and that democracy cannot be dropped from a B-52 bomber, but actually it can. The NATO planes showed that by providing cover as the rebels advanced on Tripoli, although that is not the only way to do it. We must remember that liberty is a human right for everyone, whatever their background or race. Sometimes it requires military intervention, and sometimes it requires hearts and minds—so-called soft power. Our foreign policy should be directed at supporting groups of resistance to dictators, and at funding radio and TV stations and the internet, in the same way as the CIA did in the cold war to try to combat communism. Where is the middle east equivalent of Radio Free Europe?

What is not required is appeasement. Appeasement often works in the short term but never in the long. The previous Government, as well as some of our universities and businesses, lost their moral bearings when it came to dealing with the Libyan regime. I happened to support Tony Blair and the invasion of Iraq, yet the complete contrast between that and what his Government did with Libya was astonishing. While senior new Labour Government figures hobnobbed with Gaddafi and his family, academic institutions accepted millions of pounds in blood money from the regime, and companies rushed

[Robert Halfon]

to Libya to sign commercial deals. The London School of Economics, in perhaps the most shameful episode in the university's history, went cap in hand to Gaddafi and treated him like some kind of king from over the water. I am glad that one of the professors implicated in that disgusting scandal resigned today, according to reports in *The Times*.

The leader of the Labour party talks about predator and producer capitalism, and I do not think there has been a more horrific example of predator corporate capitalism than the commercial dealings between the previous Government and so-called big business and the Libya regime. I do not say that to make a party political point; I just cannot get my head around how the previous Government could do some good things in Iraq but behave so disgracefully when it came to Libya. The release of the Lockerbie murderer, al-Megrahi, marked the low point of that kind of appeasement by the establishment, and I would argue that the political establishment's flirtation with Gaddafi was akin to the appeasement of Hitler before the second world war by British upper-class aristocrats.

In having the courage to support intervention and ignore the armchair generals who said we could not or should not get involved, the Prime Minister did much to correct Britain's moral compass, but I urge the Minister and the Government to launch a serious inquiry into the previous Government's relations with Gaddafi. We must learn from what went wrong, so that we never, ever, do such a thing again with such an evil regime.

Bob Stewart: It was not so much the armchair generals. The armchair generals were right that we had no land forces that we could have put in. We did what we were able to do, which was to use our Air Force, but we certainly could not put troops on the ground, so the armchair generals and the Government were right to say that we could not do so.

Robert Halfon: I bow to my hon. Friend's incredible experience in these matters, but I was not arguing about what kind of intervention it was. In fact, Britain has shouldered too heavy a burden, and other NATO countries should have done more. However, many so-called armchair generals argued against any intervention per se.

Daniel Kawczynski: Many British businessmen coming back from Tripoli have alleged to me that they heard that Mr Blair personally benefited financially from various transactions with the Gaddafi regime—

Mr James Gray (in the Chair): Order. The hon. Gentleman is stepping beyond the usual realms of courtesy in this place.

Robert Halfon: I have made my point about the previous Government's appeasement of Gaddafi, which sets the context, but I understand what my hon. Friend has said.

Of course, getting rid of a tyrant does not mean that we have got rid of tyranny. The experience of much of Iraq shows that the first steps after dictatorship are incredibly important. NATO and western Governments must continue to nurture genuinely democratic forces in post-Gaddafi Libya and help to rebuild the country. Any prospect of extreme Islamists or al-Qaeda gaining ground must be ruthlessly crushed. However, the threat of Islamists should not be overstated. They are less prevalent in northern Africa than in the rest of the middle east. It may take a few years to achieve democracy, but that was also the case in Japan and Germany after the second world war.

I am vice-chairman of the all-party parliamentary group for the autonomous Kurdistan region in Iraq. That region sets a precedent for democracy. The Kurdish people suffered chemical genocide under Saddam Hussein and lived in terror under the Ba'athist regime. I have visited the region, and I have seen the democracy, the rule of law, the religious tolerance, the free press and the vigorous political opposition. It can be done, and the Libyan transitional national council must do the same.

The signs are encouraging. There are reports that the Libyan leader of the opposition invited the representative of Libyan Jews in the UK, Raphael Luzon, back to Tripoli to take part in the political process. Yesterday, I met Mr Luzon, who is a senior Jewish politician, in the House of Commons. He is known by the key people in the transitional council, who, he said yesterday, invited him back to work with the Government and perhaps stand for office, which is a very encouraging sign.

As we reopen our embassy in Tripoli, now is the time for the British Government to encourage the forces of liberalism in Libya. We should impress on the national transitional council interim Government that we stand with them against Islamic fundamentalists, and that we hope they will revive a good relationship with Christians, Jews and other minorities.

I also hope that the Foreign Office can help to obtain compensation for exiled Libyan Jews. Gaddafi's law 57 of July 1970 gave the Libyan regime powers to seize the property of Jews who had fled after the pogroms of 1967 and before. Not a penny in compensation has been paid to dispossessed Libyan Jews or other victims of the Gaddafi family. As the country reconciles, I ask the Minister to consider compensating victims and the families of those who have been killed with some of the assets sequestered from Gaddafi. We now know that Colonel Gaddafi's son lived in some splendour in a large house in north London—bizarrely, it is not far from where I spent a few years of my childhood.

During the past 60 years, Arab states have ethnically cleansed ancient Jewish communities, creating the largest population of refugees in the region—far larger than that of the Palestinians—and incurring property losses many times greater. My grandfather lost his material possessions when he was forced to leave Libya, but at least he could get away and rebuild his life here, unlike the Libyan people who have been oppressed for so long. We hope that their suffering is coming to an end. I commend what the Government have done, and I hope that they will work closely with the new Libyan leadership to help them develop democracy. I look forward to visiting Tripoli when it is more stable and retracing my dear grandfather's and father's footsteps.

10.35 am

Ian Lucas (Wrexham) (Lab): It is a pleasure to serve under your chairmanship, Mr Gray. I congratulate the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) on securing this timely debate.

I have limited time. I start with Robin Cook, as did the hon. Member for Shrewsbury and Atcham. With respect to him, he misquoted Robin Cook, as people so often do. Robin Cook, for whom I have great admiration, said on Monday 12 May 1997:

"The Labour Government does not accept that political values can be left behind when we check in our passports to travel on diplomatic business. Our foreign policy must have an ethical dimension".

As the debate has progressed, that matter has become even more relevant to today's discussion. The debate has been more backward-looking than I expected, but it is helpful to consider some of the points made as we look forward to the future of Libya and progress in that country, which hon. Members from all parties welcome.

I am sorry that there has been a partisan element to this debate, because I know that the speakers, whom I respect, believe in an ethical dimension to foreign policy. They seem, however, to have short memories. Robin Cook established his reputation in the arms to Iraq debate in the 1990s. That debate involved a Conservative Government, and—

Mr James Gray (in the Chair): Order. We are drifting a little wide of the topic. We should focus on UK relations with Libya.

Ian Lucas: Well, there has been a great deal of criticism of Labour regarding the ethical dimension of foreign policy, and we must—

Mr James Gray (in the Chair): Order. My ruling is that we return to the question under debate, namely UK relations with Libya. Nothing else is in order.

Ian Lucas: I accept your ruling, Mr Gray, although *Hansard* will record our previous discussion of other matters.

We need a balanced approach when considering the history of different parties' approach to foreign affairs. From the outset, the Leader of the Opposition made clear his support for the Prime Minister's decision to support, quite rightly, the actions in Libya. When difficult interventions were happening in Libya, he supported the Prime Minister throughout. Of course, there were times when particular aspects of policy were not succeeding, when the Opposition held the Government to account, as is our role.

There is now a broader consensus across the House on the ethical dimension of foreign policy. It is unhelpful to misrepresent the previous Government's position—

Mr James Gray (in the Chair): Order. The hon. Gentleman must now return to the question under debate, or he will resume his seat. We are discussing UK relations with Libya, not the ethical foreign policy of the previous Labour Government, or indeed any Government. The question is UK relations with Libya and nothing else.

Ian Lucas: I am delighted that last week, the UN voted unanimously to end the no-fly zone, which has now been lifted. The new resolution is another important landmark towards Libya's democratic future. The state has a historic opportunity to build on human rights and to ensure that freedoms are protected. We in the United Kingdom have a great tradition of working with developing democracies to try to establish democratic values, and I know that the Minister will support that.

Britain's future involvement in Libya is important. The shadow Foreign Secretary, my right hon. Friend the Member for Paisley and Renfrewshire South (Mr Alexander), warned in September how a liberated country can quickly become a lawless and violent one. We have seen the end of armed conflict in Libya, and we are now seeing a steady transition to democratic government. The country must now embark on the delicate process of developing institutions. We know from our own history how difficult that is in the aftermath of civil war—Oliver Cromwell was not able to build enduring institutions in the UK. The problems that Libya now faces are serious, so we need to ensure—I think that the hon. Member for St Austell and Newquay (Stephen Gilbert) put this well—that the Libyan people are at the forefront of addressing them. It is important that we support their work in developing institutions.

Will the Minister make clear how he sees our role with Libya developing? Will the emphasis be on bilateral relations with Libya, or will we continue to work through NATO or the UN? What is the current format for the working relationship with the new Libyan Government, and how will that develop?

There is a great appetite in the House for developing relations with Libya. It is a matter for not only the Government, but Parliament as a whole. I am sure that there will be interest throughout Parliament in developing the nascent democracy in Libya. There is great interest in establishing working links, as well as economic links, with Libya. Companies in my constituency already export to Libya and have done so for a number of years, which, to pick up what the hon. Member for Shrewsbury and Atcham has said, is something that we need to develop. There is no shame in that. The Defence Secretary was right to say that there are business opportunities in Libya, and I am pleased to hear that Lord Green has already visited Libya and is assisting in the rebuilding of that country in a way that suggests that we can contribute as a nation. We have an opportunity in both the democratic and commercial spheres to assist with the development of Libya.

Jim Shannon: After the Kuwait war and the tremendous contribution made by British armed forces to that victory, a number of British companies in Kuwait felt that they would have an economic advantage, but it did not happen. Following other contributors to this debate, does the hon. Gentleman feel that more could be done to ensure that British companies benefit?

Ian Lucas: It is important that we grasp the opportunity to contribute commercially, which means creating jobs in our own constituencies. We, as parliamentarians, have a responsibility to be outward-looking on occasions such as this. Perhaps we should not focus purely on issues such as Europe, when big issues are happening around the world. We should look at the opportunities in Africa, China and beyond. It is important that, in these extraordinary times, we use the increasing communication with countries such as Libya for the benefit of our own constituents.

Bob Stewart: Will the hon. Gentleman give way?

Ian Lucas: I will give way to the hon. Gentleman, who has made a number of interesting contributions to this debate.

Bob Stewart: The business infrastructure in Libya is excellent, if we consider that it is in Africa. We should waste no opportunity to get in there again. I know that a number of companies are already there and that British companies have been kind of operating throughout the troubles over the past six months. I totally endorse what the hon. Gentleman has to say.

Ian Lucas: I am grateful for the hon. Gentleman's contribution. There are opportunities in the commercial sphere. A number of organisations have been referred to, such as the British Council and the Westminster Foundation for Democracy, and I add the BBC World Service, which can make a positive contribution to building democracy in Libya. We have a huge opportunity.

I have not visited Libya, but it is extremely important and has massive potential. It is a neighbour of countries that are becoming increasingly important, such as Egypt. Will the Minister touch on how he sees those relationships within the new Mediterranean developing as we progress? We are in extraordinary times in north Africa and the middle east, because the changes are having profound effects on our relations and on the lives of and individual possibilities for the people of Libya.

We have long-established relationships with Libya, for many of the reasons that have been referred to in this debate. We should use those opportunities to assist the people of Libya, who must lead what happens. We must be prepared to stand ready to assist whenever we are asked. We have much to give.

10.45 am

The Minister of State, Foreign and Commonwealth Office (Mr Jeremy Browne): Thank you, Mr Gray, for allowing me the opportunity to conclude the debate. It is an honour for me to serve for the first time under your chairmanship and to follow the hon. Member for Wrexham (Ian Lucas). I pay tribute to my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski), not only for giving us the opportunity to discuss this important and topical issue, but for his ongoing interest in Libya. I apologise on behalf of the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for North East Bedfordshire (Alistair Burt), who has specific responsibilities for north Africa and the middle east, and would, in normal circumstances, reply to this debate. He is, however, travelling, so I will respond as his colleague in the Foreign Office.

As has been made clear, events in Libya over recent months and days have offered the opportunity to change radically the United Kingdom's relationship with Libya, to the benefit of both British and Libyan citizens. The end of the Gaddafi regime, the national transitional council's declaration of liberation just over a week ago, and the end of the UN-mandated no-fly zone just yesterday mark the beginning of a new era in Libya's history. After 42 years of brutal repression under Gaddafi, Libyans can now look forward to a brighter, more secure and prosperous future, and a new start in Libya's relationship with the international community, including us in the United Kingdom.

In responding to the many points that have been made on the nature of the new relationship, I would like to focus on two aspects. The first is the role that the United Kingdom has played to date in helping bring this opportunity about. Secondly—the hon. Member for Wrexham made this point—I want to focus on our plans for future relations, as well as dwell on the recent past.

The Government are proud of the role that Britain has played in establishing and implementing the NATO mission to protect Libyan civilians. The international community, led by the United Kingdom, stepped in because it was necessary, legal and right to do so. We could not stand by and let Gaddafi commit atrocities against his own people in order to cling to power. We are likewise proud of the role that the United Kingdom has played in building international support for the new Libya, not least through the unanimous adoption of UN Security Council resolutions 2009 and 2016 in recent weeks.

Over recent months, at the request of the national transitional council, the United Kingdom has also offered advice on stabilisation and committed more than £20 million of assistance to support the NCT's stabilisation plans. In April, we opened a mission in Benghazi, and were among the first diplomatic missions to re-establish ourselves in Tripoli after its liberation in August. Together with the French President, my right hon. Friend the Prime Minister was the first Head of Government to visit Libya after Tripoli's fall. My right hon. Friend the Foreign Secretary accompanied him on that visit, and also made a separate visit last month, when he was able to announce the formal reopening of the British embassy and the appointment of Sir John Jenkins as the new British ambassador to Libya.

Although the Government are proud of that role, we have also been clear throughout that it has been a Libyan-led revolution. That is as true of post-conflict stabilisation as it was during the conflict. Now that liberation has been declared, Libya has an historic opportunity to create a peaceful, democratic and prosperous state, where human rights are protected and all its people benefit from its considerable natural resources. As the Foreign Secretary said last week, that would be a fitting tribute to those who sacrificed their lives for future generations. We welcome the clear and consistent messages from council leaders cautioning against disorder and, crucially, against reprisals, as mentioned during our discussions.

Establishing the new Libya will involve building infrastructure in every aspect of life, for example: political democracy and inclusion, the rule of law, security, migration, commerce and civil society. It is for the Libyan people to decide how to govern themselves. The UK will continue to stand shoulder to shoulder with the Libyan people in that process, as they form a transitional Government within 30 days of liberation and rebuild a free and democratic country.

In a moment, I will touch on our plans for helping Libya in how it goes about that process, but, first, I will address an issue that straddles both Libya's past and future, an important element of our relations with the new Libya and something on which we have been working with the NTC over recent months: the crimes committed by the Gaddafi regime. That has been a particular focus of the comments of my hon. Friend the

Member for Shrewsbury and Atcham not only in this debate, but over many months and years. Our relationship with Libya has been scarred over the decades by the horrific actions of the Gaddafi regime, including the killing of WPC Yvonne Fletcher outside the Libyan embassy in London in 1984, the bombing of Pan Am flight 103 over Lockerbie in 1988 and Gaddafi's support of IRA terrorism in Northern Ireland and here on the UK mainland.

A new Libya offers the chance to revitalise the relationship between Britain and the new Libyan authorities. Part of that process must involve resolving those outstanding so-called legacy issues. As my right hon. Friends the Prime Minister and the Foreign Secretary have made clear both to the new Libyan authorities and the House, that is an important priority for our Government. The Foreign Secretary last raised those issues with Chairman al-Jalil of the national transitional council during his visit to Tripoli on 17 October, just a fortnight ago.

The Metropolitan police and Dumfries and Galloway police will return to Libya to conclude their investigations once an interim Government are in place. We will seek restitution and reconciliation for the victims of IRA violence. Chairman al-Jalil and Prime Minister Jibril have assured us on many occasions that they will work with us on those issues but, as they have pointed out—I am sure hon. Members will think that they have done so with valid reason—they need to form a Government and have functioning Ministries to be able to deliver their side of that commitment.

Ian Lucas: As was said in the debate, we are all concerned about the circumstances of Colonel Gaddafi's death. I am aware that the Libyan Government have set an investigation in train. Does the Minister have any indication of when that is likely to be resolved?

Mr Browne: The short answer is no. I have not had a clear indication, but I share the hon. Gentleman's concern. If I can sum up the sentiment of the debate, I think we all feel uncomfortable about the manner of Gaddafi's death, even if we do not lament his passing. I, and I am sure the whole House, hope that Libya's future will be based on the rule of law, not reprisals. Although Colonel Gaddafi was the most high-profile Libyan, I hope that his death is not indicative of the state of justice and the construction of society in the new Libya that will unfold in the months and years ahead.

As well as resolving issues from Libya's past, we will work closely with the new authorities on the issues critical to Libya's future. Security is a key concern, even though the new authorities are making steady progress and police are returning to the streets. The national transitional council has planned for a proper police force and a national army that integrates many of the revolutionary forces. We are offering help in that process, including through the presence of a British policing adviser and with communications and logistics for the new police forces. We are helping the NTC to secure and disable man-portable air defence systems, and we are supporting mine clearance in Misrata, Benghazi and other affected areas. We will also offer technical advice to help with the destruction of remaining Libyan chemical weapons stocks under the auspices of the Organisation for the Prohibition of Chemical Weapons.

The Government are also working with the International Criminal Court in The Hague to pursue and bring to justice the remaining indictees, Saif al-Islam Gaddafi and Abdullah al-Senussi. We want to ensure that they are held accountable for violations of human rights and international humanitarian law, and for the attacks targeting the civilian population perpetrated by them. We are encouraging all Libya's neighbours who are ICC state parties and have a legal obligation under the Rome statute to co-operate with the ICC, including on enforcing ICC arrest warrants should those individuals enter their territory. UN Security Council resolution 1970 urges all UN member states to support the ICC investigation and implement the arrest warrants. We are making that position very clear.

The UK has played a leading role throughout in responding to Libya's humanitarian problems. We have provided support through the International Committee of the Red Cross and supplied surgical teams and medicines to treat up to 5,000 war-wounded patients. We have also brought 50 severely wounded Libyans to the UK and are providing treatment in the UK to another 50 Libyans who have suffered amputations during the conflict. UK medical experts are also working with Libyan medical staff and are training them in the care of those who have been brought to the UK, so that they can take that knowledge back to Libya and work with others who have suffered such terrible injuries in the fighting.

Women and young people have an important role to play in rebuilding Libya. We are engaging with women across different sections of Libyan society to determine how best to provide support. That includes looking at the issues that women face as a result of the conflict and how women can participate in developing a new Libya.

Bob Stewart: I shall make only one point. I suspect that the Minister will not mention the matter of Crown Prince Mohammed, but perhaps he could write to me and my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) about what exactly the Foreign and Commonwealth Office's attitude is towards the Crown Prince, who seems a very decent man.

Mr Browne: I am grateful for that intervention. Let me make it clear: the British Government do not have a position on the ideal constitutional arrangement for the new Libya. That is a matter for the Libyan people to determine for themselves. There will be a referendum on the constitution of Libya. On the point made by my hon. Friend the Member for Shrewsbury and Atcham, there will be an opportunity for the Libyan people to express their support for the arrangement that is put before them.

Let me finish by talking about trade and commerce, which was raised by many contributors. Getting the economy running again in Libya is crucial to achieving political progress and stability. We are committed to helping the Libyan authorities build a strong and sustainable economy. Through UK Trade and Investment and our embassy in Tripoli, we are providing advice and assistance to British businesses, so that they are ready to compete for business opportunities now and in future, when the time is right for their business.

[Mr Jeremy Browne]

In late September, Lord Green, the Minister responsible for trade and investment visited Libya. He met senior leaders, who assured him that all legally obtained contracts would be honoured and new business welcomed. He discussed business prospects arising from the estimated $200 billion post-conflict reconstruction programme and, the day after his visit, Lord Green briefed more than 150 UK companies on how the Government planned to support their engagement in Libya. The Export Credits Guarantee Department has agreed to provide insurance cover for business deals up to a total of $250 million. That is an initial tranche of cover and it will be re-evaluated at regular intervals.

The Libyan people have now embarked on the transition to a pluralist and democratic society. Although we should not expect that that will always be a smooth path, the UK will continue to support Libya in that goal and in building a revitalised relationship between the United Kingdom and Libya that addresses past wrongs and lays the foundation for future progress. The NTC's goals are ambitious, but already it has many times proved wrong those who underestimated it. We have confidence that it can continue to do so, and that a new bilateral relationship between Britain and Libya will bring greater benefits to the people of both our countries in future than at any point over the past four decades.

Regional Growth Fund

11 am

Mr James Gray (in the Chair): We now come to a debate on UK relations with Libya. I beg your pardon; we do not. That was an extremely good debate on the UK's relations with Libya, which I enjoyed very much. We now come to a debate on the effectiveness of the regional growth fund.

Angela Smith (Penistone and Stocksbridge) (Lab): I am mightily relieved that the topic is not Libya, Mr Gray, because my notes do not refer to it in the least. I am pleased to have secured this debate on the regional growth fund. I want to start by putting the fund in the context of the economy as a whole. There is no doubt that the British economy is in trouble. We have a growth crisis. Year-on-year growth has all but vanished, with this morning's Office for National Statistics growth forecast for quarter 3 at 0.5%, and with construction already in negative territory. Unemployment is at levels not seen since Margaret Thatcher was Prime Minister, and is rising at an alarming rate. Worse still, the young are paying the heaviest price, with youth unemployment at almost 1 million.

Worryingly, unemployment is rising at a much faster rate in the regions than in London or the south-east, as Government cuts bite more heavily into the regions. Already, the unemployment rate in Yorkshire and the Humber is almost twice that in the south-east, according to ONS figures. Inflation is running at more than twice the Bank of England's target rate of 2.5%, while average incomes are rising at half that rate. That means, as the Governor of the Bank of England said recently, that families are experiencing the biggest squeeze on their incomes in living memory.

The Minister, in his response to the debate, will undoubtedly claim that our growth problem is due to the eurozone crisis. No. The blame must lie at the doors of No. 11 and No. 10 Downing street. Our economic growth has faltered thanks to a reckless slashing of investment by this out-of-touch Government. Yes, in 2008 the global economy did go through the worst financial crisis, and subsequently the deepest recession, since the 1930s, and yes, the British economy was badly affected by the irresponsibility of banks over-lending, but since the Government came to power, the UK economy has stagnated, as I have pointed out. Since last autumn, only earthquake-hit Japan has grown more slowly than the UK in the G7. There is no doubt that the Government's policies are hurting, but they are certainly not working. Today, I want to spell out that it is not just that the Government are not doing enough to help our economy grow; what they are doing, they are doing badly.

The previous Government's key tools for regional economic development were the nine regional development agencies covering the country. Those tools for investment enjoyed significant Government support both politically and financially, with a budget of approximately £2 billion a year. I think that in the last year of the Labour Government, the budget was £1.7 billion. The Conservatives made no secret of their desire to abolish the RDAs if they won the general election—they did not win it, but

they are in power thanks to the Liberal Democrats—but they were very light on what they thought should replace them.

Mr Marcus Jones (Nuneaton) (Con): The hon. Lady seems to be extolling the virtues of regional development agencies. Would she not acknowledge that in the west midlands private sector employment actually fell under the RDAs?

Angela Smith: This debate is not about the RDAs. The point that I will make, as the hon. Gentleman will see, relates to the level of investment made by RDAs, as compared to the regional growth fund. We now know what the Government's alternative is—the regional growth fund. On the evidence to date, the fund represents chaos and confusion, with too little being awarded too late to make any significant contribution to promoting economic growth.

There are three aspects to the Government's approach to regional investment. The first is local enterprise partnerships, which are unfunded apart from a small start-up fund, and have no clout. The second is enterprise zones, which are a tired blast from the past with a mixed track record when it comes to delivering jobs and growth. The third prong of the Government's regional growth strategy is, of course, the regional growth fund, and yesterday the outcome of the second round of bids was announced.

Neil Carmichael (Stroud) (Con): There are many other prongs, but the fourth prong that I would have mentioned is the enhanced role of local authorities—their powers of competence, and their capacity to deliver planning decisions that will build businesses.

Angela Smith: I thank the hon. Gentleman for his intervention, but it has already been established this morning that the Humber is actually going backwards because of the cuts to local authorities, so I do not think that that is quite true.

We were told yesterday, in a written parliamentary statement, that 119 bids had been awarded funding. That is just a quarter of the bids submitted. Clearly, there were far more losers than winners, with more than 370 bids rejected. Bids totalling more than £6 billion have been submitted in rounds 1 and 2 of the RGF. That says something about the scale of the unmet investment needs of business, and how little the Government are delivering to meet that need.

The RGF was announced on 29 June 2010, alongside the proposals for the LEPs. A Department for Business, Innovation and Skills press release described the RGF's purpose as being

"to help areas and communities at risk of being particularly affected by public spending cuts".

However, current guidance from the Department goes into a little more detail:

"The objective is to stimulate private sector investment by providing support for projects that offer significant potential for long term economic growth and the creation of additional sustainable private sector jobs."

When announced, the original fund was £1 billion, but the 2010 spending review extended the total value to £1.4 billion over three years—from 2011 to 2014. To put those figures in perspective, as I mentioned earlier, the annual budget for the RDAs averaged £1.7 billion in their last few years of operation. The Government's total spending on the RGF over a three-year period will be just £1.4 billion. One does not have to be Einstein to see that the RGF represents a two-thirds cut in regional investment, which is an indication of where the Government's priorities lie and that they are certainly not supporting the regions. The Government use a lot of warm words, but deliver very little when it comes to economic investment. There is a really good northern phrase to describe a person who appears to have everything, but who in fact has nothing much to offer: "all fur coat and no knickers". I have to say that that seems a rather good description of the Government's approach to regional growth.

It will take more than warm words to persuade businesses up and down the country that the Government have what it takes to kick-start growth in the economy, which has flatlined since last autumn. It is obvious that there is much demand out there for regional investment; rounds 1 and 2 of the fund were over-subscribed many times over. In the first round of bidding, 478 bids were received, with a value of £2.78 billion. Only 50 bids were successful, and only five have received any money so far—hardly the success to which the Government lay claim. Given that so few bids from the first round have progressed to the point where they have fund money in the bank, how on earth can we expect the Government to deal effectively with the 119 announced yesterday?

On top of that, it is absolutely clear that the Government's approach to regional investment is far too centralised. In an era of so-called localism, how can the Deputy Prime Minister, Lord Heseltine or the Secretary of State for Business, Innovation and Skills justify a bidding process that is governed and determined by Whitehall, particularly given that the investment framework that it replaced was regionally based and closely attuned to the strategic needs of the regions?

Laura Sandys (South Thanet) (Con): I am very lucky, because east Kent received regional growth fund money yesterday. The structure of each of the funds is very different, depending on the local circumstances. Our regional growth fund is transferring to small businesses, and will be transferred to an organisation that will be totally locally focused, and accountable to the local businesses and the employment that we need to create. It is a tailored scheme that reflects the needs of each individual region and its specific employment profile.

Angela Smith: The fact that the decisions are made by Whitehall is not altered by anything that the hon. Lady has said. One member of the panel that assesses bids for the growth fund, Mr Moulton, is himself benefiting from the fund to the tune of £5.9 million, which is paid to a company called Redx Pharma, in which he is an investor with a stake of about 26%. Would the hon. Lady like to say anything about the fact that there is not much clarity or transparency in that process? That was not the case with the previous arrangements for distributing regeneration money.

Laura Sandys: Our fund in east Kent will be extremely transparent to the business community; it will be accountable to business by delivering jobs on the ground. It will not be something distant, based in Whitehall. In

[Laura Sandys]

the south-east, the operation used to be based in Guildford; there was not very much on the ground in Margate and Ramsgate.

Angela Smith: A Government who trusted the voice of the northern regions, and their intimate knowledge of their manufacturing base, would never have cancelled the Forgemasters loan. *[Interruption.]* If the hon. Lady thinks that is funny, people in Sheffield and south Yorkshire do not. Yesterday we heard an acknowledgement that the Government got it wrong on Forgemasters, and they have awarded a consolation prize, but nothing takes away from the fact that the original purpose of the loan has passed, and an important strategic opportunity has passed us by, thanks to the spiteful attitude of a condemned Government hellbent on cancelling what they saw as a Labour loan.

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): I congratulate my hon. Friend on this timely debate, and on her work on Forgemasters last year. Is it not a serious issue that although a previous Government—including the Department for Business, Innovation and Skills and the Treasury—did up to two and a half years of due diligence on the proposed loan to Forgemasters, in the past two and a half months, no such due diligence has been done? Despite the warm welcome for the money announced yesterday for Forgemasters, the board has not even approved the detail of how the investment is to be made. Last year, the Deputy Prime Minister wrongly described the original decision as political, but we now have a most vivid example of such a decision, with the Deputy Prime Minister arriving at Forgemasters, seeking to make a political gesture out of public money.

Angela Smith: I completely agree with my right hon. Friend. The Deputy Prime Minister would have been better served yesterday had he acknowledged to the people of Sheffield that he got it wrong and they got it right. If he had shown some humility and apologised for the grave errors that his Government made more than a year ago, perhaps the political point that he was making would have carried a lot further.

One of the issues at the heart of the chaos and confusion surrounding the regional growth fund is the bureaucracy at the heart of the process. For instance, the rules for the fund state that payments will only be forthcoming on successful delivery of outputs. That means that private companies are being asked to invest up front, with the risk that, if they do not make the said outputs in two or three years, they will not receive the moneys promised. That means that the promise to Forgemasters is exactly that: only a promise. That, I am told, is not only putting off many smaller companies from applying, but is making the writing-up of contracts difficult for the successful companies due to the risks involved. In that context, the comments made to me yesterday by the Institute of Chartered Accountants are damning. The institute has been working with BIS officials to make the process simpler and more cost-effective, but it says:

"However, following discussions with our members, BIS officials and firms, we fear that a convoluted approach to the due diligence process for the RGF is resulting in delay, additional bureaucracy and cost for businesses and the government, and undermining the growth goals that the RGF money intends to achieve."

Those are not my words, but those of the Institute of Chartered Accountants—a damning indictment of the Government's approach to regional investment.

To make matters worse, the minimum bid for an application to the fund is £1 million, with typical leverages of eight to nine being demanded. That means that the fund is out of reach to the average small or medium-sized enterprise—the sectors that the Government say they want to help the most. The Federation of Small Businesses said to me yesterday:

"From our point of view, the minimum amount for bids of £1 million has always been far too large for the majority of small businesses. We did encourage collective bids to be made on behalf of SMEs, however this is not ideal."

Derek Twigg (Halton) (Lab): I praise my hon. Friend for her fantastic campaign on Sheffield Forgemasters, which has resulted in at least a partial climbdown. I gather from what she is saying that we now have a system in place that not only has a lot less money, but is more bureaucratic and more difficult for firms to access. She is right that that is causing a lot of consternation in the business world and among private firms, not least in the manufacturing industry.

Angela Smith: My hon. Friend is right. The growth figures today show that we are heading for a gross domestic product growth increase of 0.5% over the past year, which is a significant slow-down from the 2.6% registered in the last year of the Labour Government. It is appalling that the Government do not seem able to resolve issues to do with releasing investment to manufacturing and businesses up and down the country, and do not seem able to ensure that the funding flows quickly to the companies that need it in order to secure our economic future.

Jason McCartney (Colne Valley) (Con): I thank the hon. Lady—my neighbour in West Yorkshire—for giving way, but I found your partisan language, your doom-mongering and your negativity quite shocking, which is a shame.

Mr James Gray (in the Chair): Order. I will have no part of doom-mongering and such language.

Jason McCartney: One minute, the hon. Member for Penistone and Stocksbridge (Angela Smith) is happy that Forgemasters is getting a loan, and the next she is unhappy—she seems unhappy with both. May I confirm that she welcomes the regional growth fund as a scheme, but for the tinkering with the details and the learning as we go on with different bids? Does she join Government Members in welcoming the scheme and the way in which it invests in businesses, as it did in David Brown's in my constituency?

Mr James Gray (in the Chair): Order. The hon. Gentleman must be brief.

Jason McCartney: That was a £2 million investment, which will secure 80 new jobs.

Angela Smith: I would welcome recognition by the Government that we need far more than what is on offer on the table. We need proper decentralisation of the decision-making processes, more transparency, and a more efficient way of delivering funds to companies.

The chances of such funds delivering significant economic growth are about as good as the chances of Huddersfield football club getting a promotion to the championship next year.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): My hon. Friend is making a valid case. Opposition Members do welcome the regional growth fund, but I will welcome it even more when it actually arrives, as so far only eight businesses have received any funds. Our concerns are reiterated by the EEF, the manufacturers' association, which is cited in *The Northern Echo* today. It wants to ensure that

"the funding promised flows through directly to the projects concerned as a matter of urgency."

Is the current speed at which cash is going to businesses urgent or slow?

Angela Smith: My hon. Friend is right. It is not only slow; there is inertia at the heart of the Government's approach to investment in our economy. That is all down to the Chancellor of the Exchequer, who said this morning, when asked by the BBC, that this is a difficult journey for the UK economy, but that we are determined to complete it, so that we have jobs and growth—only warm words, once again. He will not admit that he has got it wrong, or that he needs a plan B, and that is at the heart of the problem we are facing.

Fiona Bruce (Congleton) (Con): The hon. Lady said that small and medium-sized enterprises will not benefit. Does she not agree that the supply chain benefits are enormous? Let me cite the successful bid of Pochin's of Middlewich in my constituency for £4.1 million, announced yesterday. That will result in the creation of 3,600 new jobs, ultimately, and safeguard a further 200 in the region. Many of those jobs will be in SMEs.

Angela Smith: I am sure that hon. Members have come here today to congratulate the companies that were promised money in yesterday's announcement. Any investment is welcome, but I remind the hon. Lady that the Government cancelled a significant investment in the nuclear industry supply chain 18 months ago. That is what the Forgemasters loan was about, and that is why the Government are seriously damaging the economy. We are talking about a major supply chain that would have ensured that the UK and its manufacturing base were at the forefront of the building of the next generation of nuclear power stations.

How businesses access the fund is a problem, as the Minister admitted in an article in *The Times*:

"There have also been problems where, given the financial uncertainty from June onwards, it has proven very slow to unlock that private capital."

So where are we with the Government's regional growth strategy? It is quite obvious that the Government's thinking is muddled to say the least. They have dismantled the Labour Government's regeneration framework and replaced it with a rickety framework, fed with inadequate resources spread very thinly. Worse still, this comes at a time when help is most required by many of the regions because of the Government's desire to cut too far and too fast.

So what should we be doing to jump-start growth? Labour's plan to repeat the bank bonus tax, and to use the funds to build 25,000 desperately needed homes and secure jobs for 100,000 young people, would help, as would bringing forward long-term infrastructure projects. We got a start on this yesterday, but we need more. For the medium term, I agree with the Leader of the Opposition when he says that we need to change the very nature of our economy. We need to go back to making things, to give manufacturing a much bigger role in our economy, and we need an economy that looks at the long-term, and not just to short-term profits.

Mr Marcus Jones: I thank the hon. Lady for giving way; she is being generous in taking interventions. She tells us how important manufacturing is to rebalance our economy, yet in 13 years of Labour Government, on her party's watch, we lost 1.7 million manufacturing jobs.

Angela Smith: I think the hon. Gentleman overlooks the fact that the Labour Government were prepared to show what is called industrial activism. They worked hard for a long period to ensure that due diligence was in place, and that we invested in key sectors of our manufacturing economy. The hon. Gentleman's comment is a bit rich, given that the production industries have gone into negative growth in the last quarter. Mining and quarrying took the productive part of the economy into negative growth in the last quarter, so I do not think that we need any comments from Government Members on manufacturing and support for manufacturing.

Phil Wilson (Sedgefield) (Lab): I do not know whether my hon. Friend is aware of this, but the regional growth fund for north-east England will create some 8,500 jobs over three years. That is equivalent to the number of jobs lost in the north-east in the past three months.

Angela Smith: That is precisely the point. That underlines the fact that the Government are cutting too far and too fast. Their policies risk producing a double-dip recession.

Tom Blenkinsop: Another interesting statistic came out today: the purchasing managers index for manufacturing output slumped to 47.4%, below the 50% figure, which is an early indicator of a downturn in manufacturing. That is a scary statistic for us all to take on board.

Angela Smith: I completely agree with my hon. Friend. I repeat that we need an economy that looks at the long term, and not just short-term profits. We need to invest in innovation. We need a co-ordinated, well-funded regional growth strategy, not the disparate, unco-ordinated approach that represents too little, too late, from a Government who have fallen asleep at the wheel and lost their way as far as economic growth is concerned.

11.25 am

David Tredinnick (Bosworth) (Con): I congratulate the hon. Member for Penistone and Stocksbridge (Angela Smith) on securing the debate. I have listened to her complaints about Government strategy, but I will not dwell on those, because I am sure that the Minister, who was making notes, will have a few things to say about that.

I want to address the issue of the regional growth fund and explain why it has been fundamentally important to my Leicestershire constituency, which sits on the

[David Tredinnick]

boundary of the east and the west midlands. The Government's decision yesterday to grant regional growth fund second round support to the MIRA technology park will make a huge difference not just in my constituency—my hon. Friend the Member for Nuneaton (Mr Jones) nods his head—but right across the midlands, because it will impact on some of the areas with the greatest problems.

The new MIRA technology park, which desperately needed regional growth fund status, was approved by Her Majesty's Government in August. This new technology park will attract up to £300 million—perhaps more—in private investment. It is also likely to create and be responsible for up to 5,000 sustainable jobs. We can argue about the numbers—it depends on the catchment area—but it is a massive boost to industry in the heart of England. I represent the heart of England where the Fosse way crosses Watling street. We expect 200 jobs to be in place by 2013, largely based in a 43,000 square metre state-of-the art engineering centre, and a 155,000 square metre research and development facility, which will incorporate a new technology park.

Richard Burden (Birmingham, Northfield) (Lab): I agree with the hon. Gentleman about the importance of MIRA. I congratulate it on being successful, with the promise of RGF money, as indeed Jaguar Land Rover was a little while ago. However, does he agree with my hon. Friend the Member for Penistone and Stocksbridge (Angela Smith), who said in opening the debate that the promise of money is not much use unless it is actually delivered in practice? The Government need to think about how they can deliver RGF money rather than just make promises.

David Tredinnick: I understand that the hon. Gentleman speaks on behalf of his motor manufacturing constituency. Obviously, there is demand for more regional growth fund support. Where we are now with the RGF is very helpful, and it is successful for reasons that I will develop.

Mr Marcus Jones: I am proud to have worked with my hon. Friend the Member for Bosworth (David Tredinnick) in promoting the MIRA enterprise zone and RGF bids. Does he agree that it shows the importance of cross-boundary working, with his constituency in the east midlands and my constituency just over the width of the A5 in the west midlands? The fact that the local enterprise partnership for Coventry and Warwickshire has strongly backed the MIRA development shows how the new system is starting to work and bear fruit.

David Tredinnick: I absolutely agree with my hon. Friend, who has worked tirelessly for this project. I sat with him in his council chamber—in his former chair, I think—in Nuneaton not long ago and considered these issues. We can talk about the boundaries—parish, borough, county and regional—in the areas that we represent, but the point is that the footprint of the MIRA park is enormous. It covers a very large area of the east and the west midlands—areas that desperately need help.

I will return to the subject of the debate, Mr Gray, before you call me to order. I would not want to fall foul of the Chair. There were many concerns earlier this year when MIRA did not succeed in round one of the RGF because the technology park really could not succeed without that support. We are talking about not an add-on, or bells and whistles on a machine, but part of the gearbox without which the project could not go ahead. There has been huge investment on this former bomber aerodrome site.

Mr Jones: I assure my hon. Friend that I will not take much more of his valuable time, but does he agree that in addition to the growth and jobs that the MIRA development will create, RGF funding will also change the physical complexion of the A5? It will therefore benefit not only the MIRA development, but the east and the west midlands, which rely heavily on the A5 corridor.

David Tredinnick: My hon. Friend is right. I do not want to detain the House for long as many colleagues wish to speak, but I shall refer him to correspondence that I have received from worried constituents and former councillors on transport issues such as not improving the roads, traffic flows that, when measured seem to be too great for the existing roads, and problems on the A444/A5 Red Gate junction, which he will know well. There are also other local issues such as Higham lane roundabout—all concerns about the national highway. With the second round of applications to the regional growth fund, we will solve those problems and all those roundabouts and junctions will be improved. Indeed, the roads must be improved because otherwise heavy vehicles cannot get in safely. As MIRA said, subsequent to the RGF2 bid submission, those improvements will go ahead.

MIRA technology park will receive £20 million from the regional growth fund. I spoke to MIRA's chief executive yesterday and looked at other aspects of the scheme, and I understand from the Minister's Department that one or two issues concerning the impact on traffic and traffic changes need to be resolved. I thought that the Department had already dealt with such matters, but I have received reassurances that such problems will not obstruct the bid. I hope that the Minister will address that concern in his response.

The huge knock-on effect of the bid will not be confined to businesses but will have a massive impact on education and apprenticeships. Another leap forward that the Government have made is to improve, invigorate and release more people into the apprenticeship structure. Astonishingly, the Labour Government never really cracked that issue over 13 years. They were always out of kilter; there were never enough plumbers or enough this or that. It was a command economy approach that did not work. We are now freeing up the economy and giving people more responsibility. *[Interruption.]* I love heckling, Mr Gray, and if we had the time, I could not get enough of it. Seriously, however, we are talking about important issues.

Last night representatives from further education colleges visited the House, including Marion Plant from North Warwickshire and Hinckley college. We talked about the importance of developments such as the new Hinckley campus and the studio school that will come on stream in September 2012 with design apprenticeship training, and courses in advanced engineering and health and social care. She told me that there had been 500 applications for nine places. The demand exists, and we are heading in the right direction.

Last Friday I was contacted by Radio Leicester which asked me to do an interview about the increase in the number of apprenticeships in my constituency. I have received one or two other requests in the past, and I accepted that one immediately. There has been a phenomenal increase in apprenticeships in my constituency, which embraces Hinckley and lies adjacent to Nuneaton.

In summary, for all the complaints made by the hon. Member for Penistone and Stocksbridge—and I am sure there will be many other complaints from Opposition Members—something is stirring in the heart of England. Under this Government, there are more apprenticeships, and we are allowing institutions such as North Warwickshire and Hinckley college more say about how they run their affairs. There is less top-down government. I have just come from the Health Committee. We will not go into that issue now, but the Government are trying to give more power to doctors, which I welcome. The Government are succeeding in what they are doing, and the regional growth fund is an important part of that. I congratulate the Minister and his colleagues.

11.35 am

Phil Wilson (Sedgefield) (Lab): It is a pleasure to serve under your chairmanship today, Mr Gray, and I congratulate my hon. Friend the Member for Penistone and Stocksbridge (Angela Smith) on securing this debate.

I will be brief because other Members wish to speak and we obviously want to hear contributions from the Front-Bench spokesmen. First, I would like to congratulate those firms in my constituency that have received money from the regional growth fund—Kromek Ltd, Permoid Industries Ltd, Carlton & Co., Hydram Engineering Ltd and ThyssenKrupp Tallent Ltd. Those highly-skilled organisations will produce jobs in the future. As I pointed out, however, although the regional growth fund will create around 8,500 jobs in the north-east of England, that is about the same as the number of jobs that have been lost in the north-east over the past three months.

James Wharton (Stockton South) (Con): The hon. Gentleman is right to mention estimates that suggest that the current round of regional growth fund funding for the north-east will create 8,500 direct jobs. In addition, however, there will be 17,000 indirect jobs. The previous round of funding, in which our region did exceptionally well, is estimated to have created a further 5,200 direct jobs, and 8,400 indirect jobs. The figures are higher than one might believe if we listened only to the comments made by Opposition Members.

Phil Wilson: Those jobs will come on stream over the next few years. North-east England now has the highest unemployment in the country, and we are grateful for everything that we receive from the regional growth fund. We should not forget, however, that the fund for regional development is only one third of what it was under the previous Government. The problem with the regional growth fund is that it does not provide a strategy for the regions. A company applies for a grant, and if they get it that is fine, but if they do not, they do not. The fund is led not from the regions but from Whitehall; it should be renamed the Whitehall growth fund.

I have one or two questions for the Minister to which I hope he will reply. They concern the delay experienced by companies in receiving the money for which they applied in the first round—hopefully, they will not have the same problems this time round. The issue seems to concern the need for due diligence. Under the previous Administration, except in complex cases, the regional development agencies would be responsible for due diligence and absorb the cost. I have asked the Library to look into the matter, but as I understand it, under the present regime, due diligence has to be secured and paid for by the applicant out of the grant. Is that a reason for the delay in companies receiving their funding? Why are we asking applicants to find someone to look into issues of due diligence, and why does money for that come out of the grant? Under the old system, that was not the case.

In conclusion, one of my concerns as a north-east MP is that although the Scottish Development Agency exists north of the border, there is no similar body in the north-east. People say that regional development agencies are a waste of money and so on, but I would defend One North East, which has been very good. If something ain't broke, don't fix it—it was a major mistake of the Government to abolish that RDA in the north-east, especially when one exists north of the border. In the south of England, the number of companies in distress or facing bankruptcy are in decline, while in the north-east, they have increased by 20%. There are concerns in the north about the strategy. The second round of applications to the regional growth fund has finished. What will happen between now and the next election as far as regional development and regional grants are concerned? It seems that there is no strategy on that. I am especially concerned about the issue of due diligence because that may explain why delays are occurring, and I hope that the Minister will respond on that issue.

11.39 am

Esther McVey (Wirral West) (Con): I congratulate the hon. Member for Penistone and Stocksbridge (Angela Smith) on bringing this timely debate to Westminster Hall. However, having listened to what has gone on, I think that we need to put the debate in context, so here goes. We have to look at the time when the coalition Government took office. We had the biggest deficit ever in peacetime history. We were paying £120 million in interest per day. Labour did too little, too late, and left us with a busted flush. The UK economy has grown by 0.5% in the third quarter of 2011, according to the Office for National Statistics.

Tom Blenkinsop: If, as the hon. Lady says, the economy was in such a bad situation when the coalition Government came to power, why did the Chancellor of the Exchequer predicate the deficit reduction plan on 3% growth? To date in 2011, we have growth of less than 1%, which has led to extra borrowing of £46 billion plus.

Esther McVey: No, the hon. Gentleman will find that his party left the economy in so bad a situation that we not only had to say, "You will live within your means and spend what you have," but we had to provide a growth structure so that we could rebalance the economy.

Phil Wilson: Will the hon. Lady give way?

Esther McVey: Not yet. Let me proceed to put the debate in context. Hon. Members talked about the regional development agencies. I will talk favourably about the Northwest Development Agency because the staff there are superb. I have worked with many of them and have a lot of time for them. However, let me give the statistics. From 1990 to 1999, annual growth was 1.7% in the north-west and 2.3% in the south-east—a gap of 0.6%. Between 2000 and 2008, average growth was 1.5% in the north-west and 2.1% in the south-east. We kept that gap of 0.6%, despite spending £3.7 billion over a decade.

Tom Blenkinsop: Will the hon. Lady give way?

Esther McVey: No, I will not. Therefore, we now have to ask how we will spend money better, how we will live within our means and how we will rebalance the economy. I talk as someone who had her own business for the last 14 years. I have set businesses up and sold them. I also set up the biggest business network for women in the north-west, involving more than 9,000 business ladies. I therefore like to see myself not only as a business woman, but as a pragmatist who knows that we can spend only what we have. That is what the coalition Government were facing.

I hope that I have set the debate in context. The regional growth fund was set up to create a fairer and more balanced economy, in which we are not so dependent on a narrow range of economic sectors and in which new business and economic opportunities are evenly shared across the regions and across industries. That is what we set out to achieve.

Angela Smith: The regional development agency Yorkshire Forward played an instrumental role in developing the UK's first technology and innovation centre. We did not call it that. It is the advanced manufacturing research centre in Sheffield. That is now being lauded as the perfect example of where this country needs to go on investment in new technologies and design. Will the hon. Lady at least acknowledge that the RDAs had a very good and effective role in pulling together strategic investments and strategic design and innovation?

Esther McVey: I thank the hon. Lady for that intervention. As I said, I did not deal with Yorkshire Forward; I worked with the Northwest Development Agency and I congratulate the staff, who were excellent. I am saying that, despite spending £3.7 billion, what was meant to be done—rebalancing the economy—never happened. We are therefore asking how we can best deliver the money, how we can focus it and how we can ensure that it achieves its purpose.

Fiona Bruce: I, too, worked with the regional development agency in the north-west. What is particularly striking about the regional growth fund is that applications are succeeding from areas that, under the previous Government, were largely ignored when it came to business support. For years, business people in my constituency of Congleton have commented on the fact that although neighbouring areas—Staffordshire, for example—could obtain support, Cheshire was almost a desert. Now, we are seeing a difference. The Government are saying that there are areas across the country that need business support; and wherever they are, they are receiving it.

Esther McVey: I thank my hon. Friend for that intervention.

The purpose of the regional growth fund was to stimulate growth, secure jobs and increase the number of jobs. There was a consultation with the public: what did they think it would be best for the regional growth fund to do? The replies came back that they wanted flexibility and no duplication of funds. It was thought best that at least for stage 1—things will change over the next couple of years—there should be minimum bid thresholds of £1 million. It was also felt that guidance should be published. The first round allocated £2.7 billion, creating and safeguarding jobs. It created 27,000 jobs and a further 100,000 jobs in associated supply chains.

I want to talk specifically about Merseyside. In round 1, Pilkington's in St Helens, Ames Goldsmith UK, Echo and Stobart were successful. I got in touch with Richard Butcher, Stobart Group deputy chief executive, to ask him about the regional growth fund. He says that the regional growth fund has been

"an important factor in Stobart Group's commitment to the Halton region and will ensure the continued investment from us that the area needs to maintain economic regeneration and growth. The investment from Stobart, Prologis and Halton Borough Council has transformed the area and created many important new jobs—the support from the Regional Growth Fund will further enhance that regeneration."

Stobart Group has already invested £100 million to date in the development of its Mersey multi-modal gateway logistics site in Widnes, but this new private-public partnership saw the regional growth fund as an ideal opportunity to push on with the development of a further 100 acres, eventually creating more than 5,000 additional jobs and £170 million in gross value added. With the £9 million received in round 1, it is moving forward on opening up 1 million square feet of warehousing space served by rail and road.

That is a perfect example of how the RGF can bring public and private bodies together to stimulate investment and boost the economy. Stobart illustrates the private partnership success and collaboration that has emerged from the RGF. It successfully forged a business partnership between itself, a road haulage operator, infrastructure developers Prologis and Halton borough council. As we know, the sum is always bigger than its parts. That example proves the case most effectively.

I want to refer to other significant developments. The regional growth fund was set up to make key links between private-private partnerships and private-public partnerships, and we are seeing that, but this is the start of a brand-new way of thinking. It is a way of focusing money that we have not seen before, and we will learn as we go along, so instead of the negativity that we have heard today—

Phil Wilson: Will the hon. Lady give way?

Esther McVey: No, not just yet; I will in a second. When we talk in Westminster Hall about the confidence that business needs—we all know that that cannot really be defined but is necessary—it helps for all parties to give confidence to business.

Mr Edward Timpson (Crewe and Nantwich) (Con): My hon. Friend has touched on the importance of business confidence. I am sure that as a fellow north-west MP, she will be pleased to hear that Bentley Motors in my constituency, which has already invested £1 billion

in its Crewe plant, has secured money not only in the first round but in the second round of the regional growth fund—a further £3 million to boost its research and development. The company has said that that will not only secure the current jobs, but create more jobs in the local area. For the south Cheshire area and Crewe in particular, that is vital to ensuring that business confidence remains and that businesses can continue to invest in future.

Esther McVey: That is indeed vital. When we talk in the House and our words are taken down in *Hansard* and when people look at it on the internet, people must not just hear doom and gloom, because in reality many positive things are happening and they are coming from private industry.

Richard Burden *rose—*

Phil Wilson *rose—*

Esther McVey: I will give way first to the hon. Member for Birmingham, Northfield (Richard Burden).

Richard Burden: The hon. Lady has said that she hopes that the Government will learn as they go along about how to deliver the RGF more effectively. Why does she believe that there have been delays? I am sure that businesses in her area are complaining about that quite a lot. There have been many delays in delivering money already promised. Why does she think that is?

Esther McVey: Let me correct that. I do not think that the RGF will be delivered more effectively, but that it will change along the way, as small and medium-sized enterprises link together and put in bids for £1 million. Everybody knows—I was slightly startled by some Members' comments about this—that due diligence must be done and that money must be targeted at the right people. That is what people in business do—full stop. These things take some time.

Phil Wilson: Will the hon. Lady give way?

Esther McVey: I will carry on, because I have nearly finished.

Thirty-four companies and other organisations across the north-west made successful bids in round 2. My hon. Friend the Member for Crewe and Nantwich (Mr Timpson) mentioned Bentley, but there is also the university of Liverpool, Pirelli Tyres Ltd, Northwest Aerospace Alliance, Sefton council and Liverpool Vision—the list goes on and on. There are 34 companies and other organisations in total, and they have benefited from some of this £3.3 billion, which is safeguarding jobs, as well as creating 37,000 new jobs, with a further 164,000 jobs in related supply chains and local economies.

Specifically on Merseyside, there is GETRAG FORD Transmissions in Knowsley, which has won support to expand capacity for the production of transmissions at the Halewood plant. Another development I would raise with the Minister is groups of SMEs bidding for £1 million. Last week, I brought a group from the Wirral Invest Network to Westminster to speak to him about how that could best be done. So, yes, the regional growth fund has done a tremendous job so far, against all the odds, but I would like it to be stepped up to help SMEs.

11.51 am

Simon Danczuk (Rochdale) (Lab): The points I wish to make relate very much to the process surrounding how the regional growth fund works. The hon. Member for Wirral West (Esther McVey) talked about the need to spend money better, but the regional growth fund is spending it badly. All the evidence suggests that improvements can be made, particularly to the process. It cannot be right that only five or six firms out of 45 successful bidders have received money from the first round.

At last week's Business, Innovation and Skills questions, the Secretary of State said that such an outcome was acceptable and that it was all part of the process, but the truth is that it is not acceptable. The lifeblood of any business is cash flow, and slowness in making awards will jeopardise the economic growth that the fund is trying to achieve. There are therefore real concerns about how the process is working and about its slowness. At the rate we are going, not all the awards will have been made to the businesses concerned by the end of this Parliament.

It cannot be right that the Department has issued nearly 30 press releases about the regional growth fund but has managed to allocate only five or six awards since the fund was set up. It also cannot be right that successful businesses have to hire consultancy firms to carry out the due diligence that is expected, as my hon. Friend the Member for Sedgefield (Phil Wilson) said. Under the previous structure of regional development agencies, that due diligence would already have been done, which would have resulted in a much quicker process.

There are questions about transparency. We are unsure how decisions are made about successful and unsuccessful bids. It has been pointed out to me that LEPs, which were the creation of this Government, are not being fully involved in the decision-making process. For example, the LEP covering Sheffield was not aware that Sheffield Forgemasters was to receive the funding that it did. As has been said, there are also reports in today's newspapers that one of the business men who sits on the fund's advisory panel owns shares in one of the businesses that will benefit from the second round.

My final point relates to the £1.4 billion being made available over three years, which is just a third of what the previous Government put into regional development.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): I hear what the hon. Gentleman says, and there are two issues. First, we have had a great deal of discussion about how money should be going into business in the north-east and the north-west, but the south-west is also important. Secondly, the country is incredibly short of money, and we should surely be using this money for catalyst work and to build our skills base.

Simon Danczuk: I would not disagree, but my point is that the regional growth fund is not working effectively, although it might look attractive. We may have a limited

[Simon Danczuk]

amount of money, but it needs to be spent well, wisely and effectively. The measure of the regional growth fund, particularly given the amount being made available, was whether it would create private sector jobs to replace the jobs lost in the public sector. All the indications are that that is not occurring; indeed, we know that for a fact because unemployment—particularly youth unemployment—is going up. As a mechanism and policy, therefore, the regional growth fund is failing.

David Mowat (Warrington South) (Con): Will the hon. Gentleman give way?

Simon Danczuk: I am going to conclude.

In conclusion, awards are being made too slowly, there is too much bureaucracy, there is a lack of transparency and the amount available is inadequate.

11.55 am

Eric Ollerenshaw (Lancaster and Fleetwood) (Con): It is nice to follow the hon. Member for Rochdale (Simon Danczuk). The regional growth fund must have got something right if there are majority of northern MPs here because the majority of the money has gone to the north, and that, in a sense, is where I want to start. First, however, I congratulate the hon. Member for Sheffield Stockbridge and Penistone (Angela Smith) on getting this debate and on the fight she has put up for her area.

I want to talk about the background of the north-south divide, which Opposition Members seem to forget. The division between the north and the south has been recognised by the Government and by Government Members from the north, but it is not clear whether the previous Government recognised it. In December 1999, former Prime Minister Tony Blair said the north-south divide was as myth and

"an over-simplistic explanation of the problems that regional economies face".

One wonders where the problems did begin. To be fair, he told *The Journal* in Newcastle four months later that "the North South divide exists, and I never said it doesn't."

Labour then set up regional development agencies in every region. Even at the time, some Labour Members criticised the fact that London had a regional development agency. At this point, I should declare an interest, having been a member of that RDA. I should tell the hon. Member for Stockbridge and Penistone that I never saw a great deal of transparency in the way that agency dealt with things, but perhaps that was because I was its minority Tory member.

I thought the point of RDAs was to deal with the north-south divide. However, my hon. Friend the Member for Wirral West (Esther McVey) has spoken about the relative decline of the north over the past 13 years. I want to give some figures to illustrate that. The latest figures I have for gross value added in the north—for what the north added to the national wealth—show that between 1995 and 2008, which is before the coalition Government took office, and with 100 being the average, the north-east saw a decline from 82.9 to 78.2, the north-west saw a decline from 90.2 to 86.4 and Yorkshire and the Humber saw a decline from 89 to 82.9.

If we go beneath that to the sub-region and look at my area, we see that Lancashire had a GVA of 88.7 in 1995, but that went down to 78.7 in the figures for 2008. That is a 10 point drop. What was the RDA doing if that was happening?

Tom Blenkinsop: What are the actual or nominal figures? What is this 82% of?

Eric Ollerenshaw: I am talking about a national average of 100 from 1995 to 2008. The hon. Gentleman's area declined even further.

David Mowat: The point my hon. Friend is making extremely powerfully is that, in the last year of the previous Government, the north-south divide reached a peak for the previous three decades. That is extraordinary; it was brought about by the boom in the south-east and London, and it is a fact.

Eric Ollerenshaw: Let me move on.

I congratulate the Government on being among those who recognised that something needs to be done. Yes, the regional growth fund is not the biggest thing, and we want more to be done.

Angela Smith: Will the hon. Gentleman give way?

Eric Ollerenshaw: May I just continue a little further before I give way?

At the moment, however, we are learning as we are doing. I was here in May when some Members complained about the first round of bids. I suggested that it was following the old methods of the RDA in the north-west, and my hon. Friend the Member for Congleton (Fiona Bruce) has mentioned that, too. The areas prescribed were Greater Manchester and Merseyside—for obvious reasons, given European rules and all the rest of it; but there was a lack of actual support for good businesses in other areas, such as my own, which had the capacity to expand and take on more people. For example, Northern Tissue Group, with 150 employees—so it was not applying for the biggest grant—was denied a grant in the first round. I am pleased that in the second round it is still in discussions, and it looks as if it may well succeed.

Angela Smith *rose—*

Tom Blenkinsop *rose—*

Eric Ollerenshaw: I shall give way first to the hon. Lady, and then to the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop).

Angela Smith: My constituency is Penistone and Stocksbridge, with an "s" in it. It is being misquoted all over the place.

Eric Ollerenshaw: My apologies to Yorkshire.

Angela Smith: Is the hon. Gentleman really saying that the Government can do more for less—for two thirds less? Is he really saying that they can deliver more growth and rebalancing of the economy on a fund that is only one third of the original sum on the table?

Eric Ollerenshaw: There are a couple of things to say. My hon. Friend the Member for Wirral West has explained the economic circumstances, and I do not need to go through that again. However, as my hon. Friend the Member for Nuneaton (Mr Jones) keeps pointing out, the bureaucratic cost of the regional development agencies was something like £300 million, before any money got to any business through any due diligence process. We got rid of that, and what I regard as the success in round 2 is the fact that the companies in question are way beyond the normal areas, in Burnley, Wigan and as far as Carlisle and Cumbria—and I hope that my own part of Lancaster is part of that. That is a recognition of where success lies, and what we have learned from the mistakes of the regional development agencies.

[MRS LINDA RIORDAN *in the Chair*]

Tom Blenkinsop: The hon. Gentleman is very generous with his time, and although we disagree, he is obviously fighting hard for his local patch. The only point I will make is about the regional growth fund and its significance in the north-south divide. I will go back to the nominal figures for how much was put into the north-east, for example. More, nominally, was going into the north-east. If the regional growth fund is such a great regional pot of cash, why is it less than the money that the Government are spending on mutualising the Post Office?

Eric Ollerenshaw: Yet again, because of the circumstance that we were left with by the previous Government. It seems we must go on repeating those figures. I think everyone understands—and that the hon. Gentleman knows it. I was not going to go into this—other hon. Members have mentioned it—but it is not just the regional growth fund that is relevant. There is also the national insurance contribution holiday for new start-ups, and the Localism Bill. Many Government Members believe that the Bill will equip local authorities to do a great deal more for themselves, and get through the sub-regional bureaucracy, which we have abolished, and do something for their areas. They are far more in the picture as to what is successful.

James Wharton: Opposition Members seem to think that the only money is Government money. Is not it the case that, because of careful targeting, funding through the regional growth fund is leveraging almost six times its own value in private investment, which is delivering the growth and investment that we need in our regional economies?

Eric Ollerenshaw: My hon. Friend makes the point about what we hope to get from the measures far better than me. All that I wanted to say to Opposition Members was what we have learned from the regional development agencies' mistakes, their excessive bureaucracy and, in their last years, their failure to deal straightforwardly with business as business deals with things. Instead—

Chris Ruane (Vale of Clwyd) (Lab) *rose—*

Jack Dromey (Birmingham, Erdington) (Lab) *rose—*

Eric Ollerenshaw: I am sorry; I must finish. I have only got a couple of minutes. Perhaps the hon. Gentlemen can intervene on other hon. Members.

Opposition Members talked about instructions from Whitehall, but I think, as a member of an RDA board, we got new instructions every month from Whitehall about where the money should go and on what it should be spent. There was no real discussion with straightforward business about what it wanted to do. I hope that what is happening now is the beginning of that approach.

I want to finish with certain questions to Ministers, as other hon. Members have done. We see what we are doing as a beginning. There is a huge north-south divide, and the Government seem to be learning while they are doing; but we have questions about where we go from here with growth funds, and in continuing to deal with the north-south divide, which has got worse in the past 13 years.

Mrs Linda Riordan (in the Chair): I will call the hon. Member for Plymouth, Sutton and Devonport (Oliver Colvile) next, but perhaps he will keep his comments short, because I intend to call the shadow Minister at 12.10.

12.4 pm

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): Thank you for calling me, Mrs Riordan. I will be as brief and as quick as I can. I congratulate the hon. Member for Penistone and Stocksbridge (Angela Smith) on securing the debate, which has been interesting, not to say feisty.

I thank my hon. Friend the Minister for giving some grant to Princess Yachts, which does not appear on the list. It is a very big, important manufacturer of luxury boats in my constituency. To give some context, Plymouth is the largest conurbation west of Bristol, and 38% of people in work there are employed in the public sector. There is a desperate need to rebalance the economy. I am delighted that the application was made with cross-party support. My hon. Friend the Member for South West Devon (Mr Streeter), the hon. Member for Plymouth, Moor View (Alison Seabeck) and I were very supportive of the application, and we are delighted that it came forward. It is the second of the Plymouth applications to have been granted; the *Western Morning News* and Plymouth university gained some funding in the first round.

Plymouth has a fine reputation. It is a global centre for marine science and engineering, and the decision made by my hon. Friend the Minister to put moneys into a significant cluster of economic activity will pay significant dividends much further down the line. We need—most certainly in Plymouth, which is a low-skill and low-wage economy—to develop the business of understanding, so that we can compete with countries such as China and India.

The help to Princess Yachts has been a real fillip. There was a threat of the company—which is no longer British-owned, but owned by people in France—relocating. The owners were considering sites in eastern Europe, and had identified a place. We can now try to ensure something like 300 new jobs that might otherwise have gone abroad.

This has been a very useful debate, and I am grateful to the Minister for listening to the issues. However, I would argue that the south-west, which is never the sexiest of places economically, needs help. I encourage my hon. Friend to visit us, and see for himself some of the excellent work in the burgeoning private sector.

12.7 pm

Mr Gordon Marsden (Blackpool South) (Lab): It is a pleasure to serve under your chairmanship, Mrs Riordan, as it was to serve under that of Mr Gray. I warmly congratulate my hon. Friend the Member for Penistone and Stocksbridge (Angela Smith), not just on her timing, but on the excellence of the arguments that she put forward. Indeed, I welcome all the interventions and comments made by Labour Members, because we have been trying to address the issue in the round.

It is always important for hon. Members to speak up for their constituencies, as the hon. Member for Plymouth, Sutton and Devonport (Oliver Colvile) and others on both sides of the Chamber have done. However, the debate is about the overall effectiveness of the regional growth fund, and it is on its overall effectiveness, compared with previous funding streams, that it should be judged. It is relevant in that context to say a little about the comparison between the regional development agencies and the regional growth fund.

I am sorry that the Government do not like the repetition, but I repeat that it is a fact that the regional growth fund will have only a third of the money that the RDAs would have had over the same period. It is not surprising, therefore, that both rounds were massively over-subscribed. More than £6 billion-worth of bids were submitted for the two rounds, with only £1.4 billion up for grabs. As my hon. Friend the Member for Penistone and Stocksbridge pointed out, in the second round, three out of every four bids put forward were—I will be charitable—not able to receive funding under the RGF. The Government have now rather slyly confirmed that there will not be a third round. The Minister might want to comment further on that, because it was certainly indicated previously that there would be. We must realise that the bids that have not succeeded face 18 months without the prospect of support from the regional growth fund, in what is probably the grimmest economic climate for many years.

Having said that, I should be charitable to the Government. It is perhaps not surprising that the regional growth fund has been so slow to get off the ground, and that the funding has been so slow to be allocated. Ministers from a number of Departments have spent months suggesting that the regional growth fund could be the cure for all ills. They are on record in *Hansard* as suggesting that the fund could pay for housing pathfinder projects, the York railway museum, and even the "silicon city" proposal in east London. Those plans were all lauded by Ministers as worthy bidders for the fund. Ministers have obviously been taking inspiration from the parable of the loaves and the fish in the Bible, but I have not seen either the Minister or the Secretary of State walk on water recently.

On 12 April, the Government announced the 45 winning bids, but well over six months later, nearly 90% of first-round bidders still had not received their cash from the Government. Doubtless that was why, on "The Daily Politics" show a couple of weeks ago, Andrew Neil rather unkindly, in his crisp fashion, asked the Secretary of State for Environment, Food and Rural Affairs a question to which she did not have a good answer. He said that:

"your coalition government, citing bureaucratic snags, has conceded that the £1.4 billion Regional Growth Fund has so far disbursed £5.8 million, why is government so useless?"

James Wharton: Earlier in this informative debate, the right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett) said that two and a half years of due diligence were conducted on the Sheffield Forgemasters loan, yet no money was given at that point. It is important that due diligence is conducted when Government money is given out. Regional growth fund money is often tied up with private investment, which can come first to allow projects to go ahead. Does the hon. Member for Blackpool South (Mr Marsden) acknowledge that?

Mr Marsden: It is important that there is due diligence. I will come on to explain why that is, and why the Government do not seem to have done it well.

As I was saying, nearly 90% of first-round bidders had not received their money. It is not only the Opposition saying that. In yesterday's "Today" programme, the chief executive of the North East chamber of commerce, James Ramsbotham, was asked whether the money will help. Referring to the second round, he said:

"It's...difficult to say, because of...the first tranche of the RGF...not a penny has been paid".

I assume that he was referring to the north-east. He also said that

"the businesses that it's going to are...already doing incredibly well...I do believe that it's worth investing in success...although there is clearly a lot of debate about whether there should be more investment in jobs and in infrastructure".

He said that the delay was serious and needed to be addressed. When asked about whether the Government should have scrapped the regional development agencies, he said that One North East had worked rather well to promote the area for tourism and business, that nobody would be doing that now, and that it would be a loss.

That brings us on to a broader point about the way in which the Government got rid of the RDAs and the impact on the regional growth fund. One of our criticisms is that the process of filtering the bids has had little regional input. The RDAs had good expert advisers, who could have been used either directly in the regional growth fund bids or in local enterprise partnerships. However, because the process has been driven by two of the horses of the apocalypse, in the shape of the Chancellor of the Exchequer and the Secretary of State for Communities and Local Government, who wanted the mention of anything regional blotted out, those people have been lost. That is a great loss.

The Government have tried to hide behind excuses for the delays. Lord Heseltine stated last month that RGF money was never expected to come first, and that businesses would proceed with other sources of cash first. Yet the guidance on the RGF's bidding criteria, as Opposition Members have already said, states that bidders would usually expect to receive the cash in line with other payments.

In the article in *The Times* that has already been referred to, the Minister made precisely that point. He talked about the problems that there had been with certain bidders not being able to draw down private sector funds, which was holding up the Government's release of cash. The Government cannot have it both ways—they cannot on the one hand say that it is perfectly all right for the money to come at the end of the process, and on the other concede to *The Times* that the fact that the money has not been forthcoming is a

serious part of the problem. That is part and parcel of the blurred and confusing way in which the Government have proceeded.

The Minister said in the article that due diligence should take about six weeks on average, but clearly that has not been the case; 40 bidders were still waiting six months later. Sometimes the Department for Business, Innovation and Skills seems to resemble the Spanish empire of Philip II, where the bureaucracy was so labyrinthine and took so long that a famous quote said, "If death came from Madrid, I would be immortal". We all know what happened to the Spanish armada, and I hope that its fate will not befall the Minister, the Department or its officials. There is a serious point about how the Government have handled the process. I would like to hear from the Minister what will happen to the money that he says may not be distributed under due diligence.

It is also important to ask what input there is into the process within BIS. How many people are working on it? The Minister needs to answer the questions raised by the Opposition about external factors and costs, but I know from his answer to a question of mine on 8 September that only 11 full-time officials in the Department were working on the regional growth fund at that time. I leave Members to consider whether that is reasonable. Given that it has taken the Department a long time to deal with only five bids from round 1, how long do Members think it will take to deal with 119?

Although the scheme is called a regional growth fund, there appears to have been little or no regional input in the process, with decisions taken in Whitehall. Taking the panel as an example, we know who is on it, but 15 months after the process was launched, we still do not know clearly what the panel does and how it does it. It would be helpful if the Minister could explain precisely the link between the panel's advice and the decisions made. That is extremely important, particularly in light of two articles in *The Times* and the *Financial Times* today. The FT article dealt with an issue that the Opposition have already raised—the interests of one of the members on the panel. The article in *The Times* drew some conclusions on how there seemed to be a relationship between the distribution of bids, political areas in the country, and companies that are significant backers of the Conservative party. That is for *The Times* to say; it is not for me to comment on. I prefer to take up what is said at the end of the article. The Minister has to listen to this. The article states that the process is getting a lukewarm welcome from the CBI and from the director general of the British Chambers of Commerce, who said:

> "The speed at which this funding is delivered will be fundamental to the success of the Regional Growth Fund."

The Government must move faster. The deputy director general of the CBI said:

> "Despite its size, this fund does not have the capacity to plug the finance gap. The Government needs to look at other funding options to help these firms grow."

Those are exactly the points that the Opposition have made throughout the process. We believe in the principle that money that is meant for the regions should stay in the regions.

There are three key criteria regarding regional growth policy on which the Government should be judged: the conduct of the RGF and how adequate it is as a replacement for RDA funding; how adequate LEPs are to take over the RDA structures—I have already referred to the failings in the system—and mechanisms for releasing European funding to the regions. The Minister needs to address all those issues, particularly the role of investment in transport infrastructure.

The Minister and the Secretary of State preside over a fund into which they do not put any money—the money comes from the Department for Communities and Local Government, the Department for Environment, Food and Rural Affairs and the Department for Transport. That showed in the first few months, when, as I said, those Departments steamrollered the Department for Business, Innovation and Skills and pushed it out of the way. It is now trying to claw back the role, but too much time has been lost in that process, and too much time is still being lost because of the incompetence of the process of due diligence.

12.19 pm

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): I congratulate the hon. Member for Penistone and Stocksbridge (Angela Smith) on securing this debate. She will not be surprised to hear that I accept neither her analysis nor her arguments. One of the points that has come from the many excellent contributions, to which I will respond if I can in my reply, is the issue of confidence. The official Opposition will want to raise issues because good scrutiny is part of Parliament, but they should remember that confidence is important for business. Labour needs to be careful not to talk down the economy. I absolutely agree with balanced scrutiny, but point-scoring does not help our constituents, and we should bear that in mind.

The Government believe that if we are to have a sustained recovery, we need a resilient economy—an economy that is balanced between public and private, and between industries. My hon. Friend the Member for Nuneaton (Mr Jones) made a good point when he mentioned the significant drop in employment in manufacturing during the 13 years of Labour Government.

We are also well aware that we need an economy that is balanced across the whole country, which is why we have set out a comprehensive approach to local growth to replace the old RDA system. My hon. Friend the Member for Lancaster and Fleetwood (Eric Ollerenshaw) was absolutely spot on: whatever individual cases may be made about specific projects, the sad reality is that after £16 billion and 10 years of an RDA system that was expressly established to close the gap between north and south, the gap got bigger. A responsible Government cannot ignore that simple fact.

Our strategy incorporates a range of elements, including the regional growth fund. It includes the local enterprise partnerships. The 38 in place cover 99% of the English economy. Local business and civic leaders set what they believe are the right priorities for their local area. We also have 24 enterprise zones, which will accelerate growth in key areas. In Yorkshire and Humber, the area of which the hon. Member for Penistone and Stocksbridge is a part, we see three specific enterprise zones—one in the Sheffield city region, one in the Leeds city region and one in the Hull and Humber area. With those programmes, we have ensured that where we are able to, given the difficult circumstances that we have inherited, we have put money into key infrastructure. For example,

[Mr Mark Prisk]

we have pressed on with the controversial high-speed rail investment, which is very important for the midlands and Birmingham and the whole north-east.

Tom Blenkinsop *rose—*

Mr Prisk: If the hon. Gentleman will allow me to get on to the regional growth fund, I will let him come in at that stage.

The regional growth fund complements our other growth policies. Worth up to £1.4 billion of public money, it has two crucial objectives: to unlock the private sector investment to enable key projects to proceed, and to support areas that are especially dependent on the public sector, to enable them to have more balanced and resilient economies in the future.

We have had two popular bidding rounds, and the results of the second were announced yesterday. I am sorry that the Labour party is upset that not everyone won. Well, that is life. The reality is that it is a competitive fund, and it seems peculiar that Labour does not understand that rather obvious principle.

Let us look at round 1, which was the subject of Labour's criticisms. We invited bids up to 21 January this year. We received 464 bids, the total value of which would have been something like £2.78 billion. In April, we were able to confirm the 50 conditional allocations, totalling in the region of £450 million of public money. Importantly, that £450 million of taxpayers' money was offered up in the knowledge that having looked at those schemes, we could lever in investment from the private sector of £2.5 billion—a balance of five to one. I am pleased to confirm to the Chamber that more than half of the successful projects that we identified in April are already under way. When complete, the schemes in round 1 are expected to create or safeguard 27,000 direct jobs, or a further 100,000 indirect jobs. There are very good quotes from General Motors about how it that is already under way with the Vivaro van project in Luton. We have also heard about Bridon in Tyneside and Bentley in the north-west. My hon. Friend the Member for Wirral West (Esther McVey) mentioned Stobart, and up in Teesside, the restart project is under way.

What worries me about this debate—Opposition Members seem or choose not to understand this—is that the whole point about the programme is that the regional growth fund is designed to unlock private sector investment and lever it into schemes, and as anyone who has been in business knows, that means that payments made by Government will often come in the latter stages of development.

Tom Blenkinsop: Labour Members fully understand that public-led investment attracts private-led investment. Will the Minister confirm how many RGF projects have European regional development fund match funding, and whether the Treasury is retaining those ERDF funds from the regions?

Mr Prisk: There is a very small proportion of funds related to ERDF in round 1, and even fewer in round 2. My point, which the Opposition do not want to accept, is that when the public sector seeks to invest money, it is doing so to unlock the private sector investment. If we do not get that private sector investment, there will be a problem. The Opposition seem to believe that everything that we do should be measured solely and entirely by how much Government spend. Have they not learned from 13 years that it is how we spend the money that is important?

Angela Smith: There is the other issue of the assets that belonged to the RDAs, which could be used to help unlock private sector investment. What will the Government do with those assets? Are we going to have a fire sale, or will we use those assets to invest in infrastructure and private sector growth?

Mr Prisk: It is self-evidently the latter, which is why we established the local stewardship model. It is why in July we offered Members of this House the opportunity to meet Ministers, and why we are repeating that exercise on Thursday. We are determined to ensure that the assets are used for the benefit of the local economy. I hope that the hon. Lady will come to that meeting so that she can understand that.

Richard Burden: The Minister has talked about confidence and about unlocking and levering in investment from the private sector. Does he not accept that the performance of the RGF is important in maintaining confidence? Let me give him an example. As far as Longbridge is concerned, it is difficult to get the confidence from the private sector to unlock investment when the Government are not clear about what is going on. We can only point for so long to the investment that the previous Labour Government made by way of a new college and a new innovation centre. The private sector wants to know whether this Government back the Longbridge project as well. It really needs answers pretty soon.

Mr Prisk: After the dithering by the Labour party over Longbridge and that site, the hon. Gentleman should be a little careful about what he says. We made the situation crystal clear to the owners, the local enterprise partnership and the city council. Those discussions are in hand, and I am confident that they will be concluded successfully.

Jason McCartney: I thank the Minister for coming to the royal armouries in Leeds just a few weeks ago to speak to the Leeds city region LEP. Some 600 energetic, enthusiastic and positive business leaders are really moving forward with this. I take on board his point about business confidence. Camira Fabrics, Thornton & Ross Pharmaceuticals, Newsholme Food Group and Equi-Trek horse boxes in my patch are all going out there and making it happen. Does the Minister not agree that the regional growth fund is just part of the package for growth? We also have the enterprise zones, the LEPs and 450,000 apprenticeships; that is up 50%. Yesterday, a young entrepreneur got in contact with me about the enterprise allowance. The regional growth fund is just part of our package, while the Opposition only have an unfunded cut in VAT.

Mr Prisk: I could not have put it better myself.

Mr Marsden: Oh, yes, you could.

Mr Prisk: I am grateful to the hon. Gentleman for that flattering remark. May I return to the issue of due diligence? The Opposition tell us that the situation is disgraceful and has been going on for months and months. The reality is that the average time for due diligence is three to six weeks. That contrasts sharply with the performance of the Labour party when in government. It established the automotive assistance programme. It took 15 months for that to deliver a single penny. Why will the Opposition not accept their own failings?

Take the trade credit insurance scheme, which was launched as a £5 billion package. Thousands of people were supposed to benefit from it. In the end, one company benefited, at a cost of £81,500. When the Opposition talk about due diligence, they need to be a little careful about how they make their arguments. In particular, they should be careful about the reference to allegations in newspapers concerning individuals. The hon. Member for Rochdale (Simon Danczuk) referred to allegations about one of the panel members, Mr Moulton. Let me make it clear that Mr Moulton took no part in decisions on any areas in which he had an interest, and that includes in the decision on Redx.

Let me turn to the second round. That round has improved in leverage on the first round. It is not £5 of private money to £1, but £6 to £1. When we look at the scheme as a whole, we will see that a third of a million jobs are being safeguarded, and £8.5 billion is being levered in from the private sector to help many of the jobs and businesses to which many hon. Members have referred. I hope that the Labour party can look, just for once, at the facts rather than engaging in cheap point-scoring. This is an important debate. We all want jobs to be created; I hope that Labour will share in that debate.

Alcohol (Under-18s)

12.30 pm

Stephen Gilbert (St Austell and Newquay) (LD): Thank you very much, Mrs Riordan, for calling me to speak. It is a pleasure to serve under your chairmanship for the first time in a Westminster Hall debate. I suspect that it is not what I am about to say that is causing colleagues to leave Westminster Hall so quickly.

At the outset, I declare an interest, in that the father of the Under-Secretary of State for the Home Department, the hon. Member for Old Bexley and Sidcup (James Brokenshire), who is the Minister responding to the debate, is a constituent of mine. I hope that that fact might sway the Minister when he makes his remarks.

This debate has been prompted by continuing concerns in Newquay, which is in my constituency, about under-age drinking, including its health impacts, its role in causing antisocial behaviour and the part that parents can play in providing children with alcohol for consumption in an unsupervised setting.

The Chamber will be aware that, like many other seaside towns and many of our city centres, Newquay has had its share of problems associated with binge drinking. The Chamber may be interested to know that 5,000 unaccompanied 16 and 17-year-olds arrive in Newquay every year during a four-week period, mostly to celebrate the end of their GCSEs. Sadly, this annual pilgrimage—some might call it a rite of passage—has become associated with drink-related antisocial behaviour.

The tragic deaths of 16-year-old Paddy Higgins and 18-year-old Andrew Curwell in 2009 served as a wake-up call to the local community in Newquay that action needed to be taken to protect children and young people when they visit Newquay to prevent similar accidents occurring in the future. Newquay has risen to that challenge. The formation of the Newquay Safe Partnership has seen organisations and individuals including Devon and Cornwall police, Cornwall county council, residents, local businesses and organisations representing pubs and clubs, the off-licence trade and providers of accommodation working together to tackle alcohol misuse and irresponsible behaviour.

Fiona Bruce (Congleton) (Con): Does the hon. Gentleman agree that, as has been stated in a recent report by the think-tank Demos, parental involvement is vital? That report shows that, if income, education, ethnicity and gender are discounted, styles of parenting are very influential, and it also showed that a combination of discipline, affection and parental involvement ensure that 16-year-olds are less likely to engage in dangerous drinking.

Stephen Gilbert: The hon. Lady has pre-empted a point that I was going to make later, namely that in many cases parents underestimate their influence on their children. She is right to quote the Demos research.

Public services in Newquay have risen to the challenge of dealing with under-age drinking. We have seen the introduction of Challenge 25, with staff being given training to spot fake identity cards; there is a confidential phone number to report proxy buying, which is the buying of alcohol by adults for children; and a code of conduct has been introduced for bar crawls. The police

[Stephen Gilbert]

have introduced a "follow you home" scheme, which sees the local Newquay force inform parents and local authorities in an individual's home town about instances of antisocial behaviour that take place on holiday. There are also new minimum safety standards for local providers of accommodation, and there is concerted police action to seize alcohol in the streets and on public transport. Coast Safe, an alcohol awareness and seaside safety lesson package for teenagers, was launched yesterday. It was put together with the help of Newquay schoolchildren, and it is sponsored by St Austell Brewery. It aims to provide a resource for schools across the country to reduce loss of life and serious injury among young people by encouraging sensible drinking and responsible enjoyment in seaside towns.

The cost of crime in Newquay in 2008-09 was more than £9 million. The success of the Newquay Safe Partnership is that it has reduced that cost by more than £250,000. Nuisance behaviour is down by 22%; violence is down by 7%; and drug offences are down by 14%. I commend all the people who are involved in the Newquay Safe Partnership scheme.

Although most parents want to introduce their children to alcohol in a responsible and measured way, one contributory factor to the binge drinking and antisocial behaviour that we see in Newquay, and indeed in other seaside towns, and it is a factor that the police remain concerned about, is the way in which some parents send their children to Newquay with huge amounts of alcohol. I will give some examples of this parental behaviour supplied by Devon and Cornwall police, which put the issue into context and which may benefit the Chamber.

One Newquay guest house has reported that parents regularly turn up with their children and a car boot full of booze. When told by the management that that is unacceptable, parents seek to meet their children elsewhere in the town to pass the alcohol to them. In one case, 67 cans of Special Brew were seized from four children who were visiting Newquay for a weekend. Another guest house reported finding 350 items of alcohol in one room that had been let out to just six children who were visiting Newquay. A local caravan site seized more than 353 cans and bottles containing alcohol from 16-year-olds during a 10-day period, including 117 cans of Stella and 5 litres of vodka. On one day in July this year, police confiscated 443 cans and bottles containing alcohol from children arriving in Newquay on public transport. One 16-year-old girl arrived in the town for a four-day break with £300 in her wallet, and later that same day she was found incapacitated by alcohol and her parents were asked to come to Newquay to collect her. A youth mentoring scheme reports that 70% of young people have been given alcohol by their parents.

As I have said, the vast majority of parents want to introduce their children to alcohol in a responsible and supervised way, but it seems that some parents are not considering the impact of leaving their children unsupervised in an unfamiliar town with large amounts of alcohol. When police and other local authorities or local people, such as the managers of hotels or guest houses, try to reproach parents about their behaviour, they are often met with hostility. Police were told by the parents of one 16-year-old boy, who had 64 cans of Special Brew seized from him, that they were "spoiling his fun".

In Newquay, as in other seaside towns, local public authorities effectively adopt young people when they are in the town.

Sarah Newton (Truro and Falmouth) (Con): I congratulate my hon. Friend, who is making a fantastically positive speech about what has been happening in Newquay to tackle these very difficult problems. In case that people think that under-age drinking is a particular problem for Newquay, I want to back up my hon. Friend by saying that it is a problem all over the country and certainly in other seaside towns around Cornwall. It is important that we see this as a national issue and not just a problem in Newquay. It is also important that we learn from the fantastic work in Newquay.

Stephen Gilbert: My hon. Friend is exactly right that this is not a problem that is unique to Newquay. It is a problem that Newquay perhaps now has expertise in tackling, but I hope that the lessons that we have learned, the successes of schemes such as the Newquay Safe Partnership and the way in which we are now moving forward to tackle the parental supply of alcohol can be instructive to all parts of the country.

Dr Sarah Wollaston (Totnes) (Con): Should we not address not only the issue of parents sending children away to places such as Newquay with alcohol but the supply of alcohol that is routinely provided in children's own homes? Indeed, should we consider making it an offence for parents knowingly to supply other people's children with alcohol at parties on their own premises, which we would otherwise call proxy buying?

Stephen Gilbert: My hon. Friend has opened a can of worms by raising the responsibilities that parents have to not only their own children but other people's children in their homes. Parents often underestimate their influence over their children, whether it involves setting an example or supplying alcohol for parties. She has made an excellent point, and I hope that the Minister will respond to it when he winds up the debate.

We know from research by the Joseph Rowntree Foundation, which published a paper on this issue in June, that if a young person finds alcohol easy to obtain their chances of drinking excessively increase fourfold. Equally, if a young person sees their parents drunk, it doubles the chance that they themselves will get drunk. In that report, parents emerge as one of the crucial influences on teenage drinking. Shockingly, that research, which was based on a survey of 5,700 children, found that one in five children claim to have been drunk for the first time by the age of 14 and that half of all 16-year-olds report having been drunk.

Last weekend, further research from the schools health education unit showed that children as young as 12 say that they drink the equivalent of 19 glasses of wine per week. In that survey, 83,000 school pupils were questioned, and 4% of 12 and 13-year-olds said that they consume 28 or more units of alcohol a week, which is more than the maximum amount suggested in the adult weekly guidelines for alcohol. Clearly, it might not be possible or appropriate to use legislation to solve this widespread

cultural problem, but we must ensure that legislation passed by this House does not create an opportunity for the problem to get worse. I welcome the steps that the Government are taking to crack down on people who sell alcohol to children, including the doubling to £20,000 of the fine for under-age alcohol sales and the extension of the period of closure that can be given as an alternative to prosecution when premises are found to have been involved in supplying alcohol to children.

I want the Minister to touch on a number of issues that continue to cause me and the police concern. The first is section 149 of the Licensing Act 2003, which prohibits the proxy purchase of alcohol by adults for children. The section has been successfully used in Newquay in a campaign supported by Crimestoppers, with a number of individuals being prosecuted when there was evidence that alcohol has been bought by an adult and supplied to a child. There is a clear problem, however, with parent dealers, who when questioned by the police often say that they did not buy the alcohol for their children—they just happened to have it and handed to them. Any well-prepared brief could drive a coach and horses through the attempted prosecution of a parent under that legislation.

Another legal avenue at our disposal are child neglect provisions, but they would apply only to under-16s, leaving a hole where the slightly older, but still vulnerable, 17 and 18-year-olds are. Will the Minister, therefore, undertake to review section 149, and look at tightening up rules on parental supply, perhaps stipulating that parents must be on hand to supervise the drinking of any alcohol that they supply to their children?

A second legislative hole is in the Confiscation of Alcohol (Young Persons) Act 1997, which provides the police with the power to confiscate but to make an arrest only if the request to hand over the alcohol is not complied with. Because of the significant pressure on local police forces, it is often not possible for them to make an arrest even if such action is desirable, and their power in that regard must be strengthened.

I firmly believe that we must look again at alcohol pricing, and I have raised the issue in the House. Even with the changes recently announced by the Government, supermarkets' ability to sell alcohol at prices that are so much cheaper than in pubs and clubs causes genuine concern to many people.

Nick Smith (Blaenau Gwent) (Lab): I thank the hon. Gentleman for initiating this important debate. He has painted a powerful picture of the effect of alcohol misuse in his constituency. Does he agree that we must have a minimum price of at least 50p, as recommended by the British Medical Association, if we are to make a difference?

Stephen Gilbert: I am not expert enough to say where the price should be set, but I agree that the Government need to take a concerted look at minimum alcohol pricing, because what has been done to date does not go far enough. I firmly agree that minimum pricing is the only real way forward. The hon. Gentleman's point is backed up by a 2008 report by the university of Sheffield, which showed that minimum pricing is the best way to reduce alcohol harm, and the report forms the basis of a handbook being produced by the World Health Organisation on its approach to dealing with alcohol-related harm.

The Minister will be aware, as early-day motion 2264 makes clear, that of the 4,000 price promotions under way in February, only one would have been affected by the current Government policy to prevent the sale of alcohol at a cost below duty plus VAT. Will the Minister undertake to meet me and representatives of Devon and Cornwall police to discuss minimum alcohol pricing and the further steps that the Government can take? Will he also look, with colleagues in the Department for Culture, Media and Sport, at the ubiquity of alcohol in supermarkets? If a licensing regime and hours are felt appropriate for clubs and pubs, should they not also apply to supermarkets and other outlets? The Minister will be aware that the Association of Chief Police Officers is considering a national policing alcohol harm reduction strategy, which covers the role of parental control and supply. Will he engage with officers who face this problem across the country, and take concrete steps to help the police to keep children safe?

The problem of alcohol abuse requires a deep-seated cultural change. A single debate here today will not achieve that, but I hope that it will help to promote discussion about parents' role in supplying children with alcohol for unsupervised consumption. As well as ensuring that the police have the necessary powers to combat under-age drinking, we need a greater emphasis on education. The charity Drinkaware has recently launched a "Your kids and alcohol" campaign, which emphasises the importance of parents talking to their children from an early age about drink, ideally in their pre-teens before the influence of peers increases. Drinkaware's advice to parents is clear, "You have more influence than you think." Most parents assume that they are the last people their children would turn to to talk about alcohol, but research shows that children between the ages of nine and 17 would go to their parents first. Parents need to talk to their children, and keep talking, before their friends do. Giving children the facts earlier ensures that they get accurate information with which to challenge what their friends tell them and make responsible choices.

We all enjoy a drink, but we must recognise the dangers that unsupervised drinking can present to children and the need for parents to help educate and protect them. I look forward to the Minister's reply.

12.45 pm

The Parliamentary Under-Secretary of State for the Home Department (James Brokenshire): It is a pleasure to serve under your chairmanship, Mrs Riordan.

I congratulate my hon. Friend the Member for St Austell and Newquay (Stephen Gilbert) on securing this debate, and on his approach in advancing the case about parents' responsibility in respect of their children. I also congratulate him on representing such a wonderful constituency. Many of my family members hail from the area around St Austell, and I have very happy memories of spending lots of time there during my childhood and thereafter. He is a very lucky Member of Parliament to represent such a fantastic area, with so many wonderful people, sights and places to visit.

[James Brokenshire]

I always encourage people to flock to the wonderful coastal resorts in Cornwall, such as Newquay, for their sheer beauty and wonderful landscape. However, I would not want their enjoyment to be interrupted or hindered by the wanton and yobbish behaviour of people who are there just to get drunk and cause mayhem in communities that have so much to offer. That behaviour must be challenged and addressed. I pay tribute to the work of the agencies in Newquay for the steps that they have taken and continue to take to ensure that the town is a very special place, the benefits of which can be enjoyed by both young and old. For many years, I have enjoyed the wonderful north Cornish coast, and I hope to continue to do so with my children.

I have heard what my hon. Friend has said and have first-hand experience of the context. He knows that I visited Newquay the summer before last, as Minister with responsibility for alcohol policy, and that I was lucky enough to spend an evening with some of the partners and agencies involved in the Newquay Safe Partnership, including Superintendent Julie Whitmarsh. I also visited the Central Inn to get a sense of the challenges and problems that the town had been experiencing. I pay tribute to what the local police, the local authority, the Newquay Safe Partnership and others have achieved in the face of the challenges involved in tackling alcohol-fuelled crime and disorder. I was shocked and disturbed by the accounts of some the worst excesses of irresponsible drinking by young people, and I was outraged to hear about the actions of irresponsible parents in, essentially, assisting that behaviour.

I have looked back at the press commentary that followed my visit to Newquay in July 2010, when I said to the *Western Morning News*:

> "I was just astounded by this virtual mountain of alcohol that had been taken after being supplied by parents. I think it is utterly irresponsible. As a parent you have the ultimate responsibility towards your child, and thinking that they are going to be safe when they are loaded up with booze is unbelievable."

That was my view then, and it is my view today. I endorse my hon. Friend's approach in underlining this important issue.

I realise that the issue is complex. My hon. Friend and others have made some thoughtful and interesting points in the debate. They have scoped out the relevant challenges in this sphere for agencies and the Government, and they have underlined the responsibility that all parents have to their children. I shall try to respond to as many concerns as I can in the time allotted.

Along with other towns, Newquay faces particular problems every year. Hon. Members were right to say that those problems should not be regarded as specific to Newquay, and it would be wrong to characterise the town in that way. Alcohol misuse affects many communities—we see it in our town centres, in rural and seaside towns and in other leisure areas, too. The holiday season is particularly challenging for the west country and other coastal resorts, which have become a destination of choice for young people who want to celebrate the end of their exams or generally have a good time. Sadly, dangerous levels of binge drinking too often become synonymous with such celebrations. My hon. Friend has referred to the tragic cases of Andrew Curwell and Paddy Higgins, the teenagers who lost their lives two years ago as a consequence of alcohol misuse. Many other young people have suffered life-changing injuries or circumstances as a result of accidents.

In a broader, national context, more than 1 million hospital admissions are alcohol-related, which is twice the number of admissions in 2003. Statistics also suggest that more than 40% of violent crime is alcohol-related. With that in mind, I am not surprised by the latest statistics relating to Newquay, which show that seven out of 10 drunk youngsters in Newquay were supplied with alcohol by their parents. Like my hon. Friend, I saw some outrageous examples of parental irresponsibility during my visit to the town last summer, when parents were providing their children with excessive supplies of alcohol. In one incident, the police confiscated 370 bottles and cans from a small group of teenagers, including a bottle of 63% rum, which was believed to have been supplied by a parent. I was astounded by the virtual mountain of alcohol that I saw seized by police in Newquay and the stories that I was told about parents abusing the police simply for trying to protect their children from harm.

What can we do to tackle the problem and change such behaviour? To start, the Government take a tough stance on alcohol. We are clear that we will not tolerate the scale of alcohol-related harms that have been experienced over the past decade. That is why we passed the Police Reform and Social Responsibility Act 2011, which introduces a package of new measures to rebalance the Licensing Act 2003 in favour of local communities. It gives local community leaders greater tools and powers to shape the type of night-time economy that they and their communities want to see.

We also take under-age drinking very seriously indeed and have used powers under the new 2011 Act to send out a strong signal. We have doubled the maximum fine available to the courts when sentencing irresponsible businesses that persistently sell alcohol to under-18s. However, my hon. Friend will be quick to point out that we are talking about not children who buy alcohol illegally themselves, but our response to parents who are prepared to give their children large quantities of alcohol.

As my hon. Friend has said, the law already enables the police to charge an adult with the criminal offence of buying alcohol on behalf of a child who is aged under 18. That offence carries a maximum £5,000 fine. In addition, the police can issue a penalty notice for disorder for the offence. Those powers give them an option to impose a swift financial punishment to deal with misbehaviour and provide a practical deterrent to future reoffending. The law also allows for the punishment of parents who are wilfully negligent towards their children, although, as my hon. Friend has said, only in relation to those aged under 16.

The use of such powers may not be relevant or appropriate in all circumstances, and it will depend on the facts of the case and on whether there is a reasonable prospect of conviction based on the available evidence. However, those powers provide the police with an option in criminal law. It is for local police to decide their response to local crime priorities.

I hear clearly the points made by my hon. Friend about the practical application of the law and certain offences. We will continue to listen and be guided by the

Association of Chief Police Officers in connection with law enforcement. He makes an important point about ensuring that the law is used effectively and robustly. However, we do not want to legislate unnecessarily or be overly prescriptive. This is a difficult problem that needs careful consideration.

Parents are well placed to introduce alcohol to their children sensibly. The answer lies in educating them and their children. That is why we endorse initiatives such as Coast Safe and why the new alcohol strategy, which I shall discuss shortly, will address advertising and so on, a concern which several hon. Members have raised. Newquay Safe Partnership has introduced innovative schemes to address the town's problems and has worked in conjunction with Drinkaware. Some have said that the Government should go further in reflecting good local practice that works well, which was great to hear. The success of such schemes results from good partnership work such as in Newquay, which involves not only the police but trading standards, the local authority and some responsible businesses. Many hoteliers in Newquay closely co-operate with the police, and we should not lose sight of the strong partnership links that have helped to make a difference.

People argue that we should consider the raising the age limit for consuming alcohol to 21, for example, as it is in parts of the United States. We have not gone down that route, however, because many of the problems that we have alluded to relate to much younger children. It is important, therefore, to focus our attention differently, which is why the Government have not been attracted to that route.

My hon. Friend has highlighted particular sections of the 2003 Act. I will consider closely his comments on proxy purchasing to find out what advice or guidance can be provided and how to work proactively with the police in that context. I highlight the ongoing work with other Departments. The Government are working on an alcohol strategy, and Department of Health Ministers have been playing a leading role. The strategy will consider the culture of drinking in our society and how commercial alcohol advertising and social networking play a role in that culture.

The chief medical officer has published guidance for parents, health professionals and young people emphasising the importance of parents in shaping behaviour. I agree that schools have a clear responsibility to prevent drug and alcohol use as part of their wider pastoral role, which will be supported by the revised, simplified schools guidance that the Department for Education is working on.

I am conscious that time is defeating us. I thank my hon. Friend for securing the debate. The Government are conscious of the issue, and the new Department of Health-led strategy, which will emerge soon, will touch on a number of the themes that he has rightly brought to the attention of the House. This is work in progress and more remains to be done, but the Government are taking things forward.

Ukraine

1 pm

Helen Goodman (Bishop Auckland) (Lab): It is a pleasure to see you in the Chair this lunch time, Mrs Riordan. I am extremely grateful to Mr Speaker for agreeing to let me have this debate on our relations with Ukraine at what is obviously a crucial time for that country. The trial and subsequent jailing of Yulia Tymoshenko, who was the Prime Minister of Ukraine and one of the key leaders during the orange revolution, has put Ukraine back on the front pages, and, unfortunately, not for a happy reason. It is important that we have this opportunity to consider what is going on and to ask the Government how they intend to respond to the situation.

We need to be clear that Ukraine is not a far-away country about which we know little. What happens in Ukraine matters very much indeed. It is the largest country in Europe and has a population of 40 million people. It achieved independent national status in 1991, and in 2004, during the orange revolution, the people of Ukraine demonstrated their commitment to and desire for a fully open liberal democracy. We should support all those people who have been campaigning for political reform in Ukraine and demonstrate, at what is clearly a difficult time for them, that we are concerned about what is going on in their country.

Ukraine also has a strategic significance for us and the rest of Europe. It is on the crossroads between Europe, Russia and the Caucasus, and has become one of the major corridors for oil and gas from east to west. That role as a corridor for energy transmission has provoked the recent crisis, because Mrs Tymoshenko was prosecuted for exceeding her powers in signing the deal with the Russians. Many in Ukraine feel that it has severely disadvantaged them, because it agreed too high a price for the gas. The situation is surrounded by many claims of corruption in Ukraine. I do not believe that many people outside Ukraine see this as anything other than a ham-fisted attempt by the current Ukraine Government to settle political scores and to exclude Mrs Tymoshenko from the political scene. Neutral observers from Denmark who are expert in looking at judicial processes have also made some serious criticisms about the way in which the trial was undertaken.

I was fortunate to be able to visit Ukraine in the first week of October. I am a member of the all-party group on Ukraine and I apologise on behalf of its chair, the hon. Member for Maldon (Mr Whittingdale), who cannot attend the debate. I visited Ukraine after the trial, but just before the sentence was announced, and met a lot of people. During that week, I did not meet anyone who thought that the trial was legally valid or morally or politically justified. I met people who were critical of Mrs Tymoshenko's period in office and who had opposed her politically, but those self-same people were, none the less, critical of the trial and what had gone on. My impression is that the Ukraine Government embarked on that course of action without fully understanding the implications for their reputation either at home or abroad.

I do not think that it would be right for us to become completely fixated with the trial of one person, but unfortunately it seems to be part of a pattern of developments that has led from an open situation to an

[Helen Goodman]

illiberal one. Other politicians in Ukraine, on both a regional and national level, have been put on trial on charges that some people think are trumped up. The judiciary is appointed by the Executive, so there must be question marks about how independent it is. A survey of the content of the state-owned television channel found that 97% of its broadcasts were supportive of the Government, which is a completely unbalanced situation. Moreover, although the presidential election of 2010 was felt to have been run on a free and fair process, there were more question marks about the way in which recent local elections were run. There are important parliamentary elections to come in a year's time, so we need to look at the overall political situation in Ukraine. The Tymoshenko trial and sentencing highlight the issues.

Ukraine faces a major strategic choice. Negotiations have been ongoing for an association agreement with the European Union, and the Ukraine Government have repeatedly said that they want to go ahead with it. On the other hand, however, for historical reasons they are pulled towards Russia. I think that some people in Ukraine think that, as an alternative to going along with the EU association agreement, it might be desirable to join the customs union, which Mr Putin is putting together, between Russia, Belarus and Kazakhstan. The Ukraine Government need to find a way forward that maintains good relations with all their neighbours.

We in this country have a long democratic tradition. Our democracy goes through positive phases and phases whereby we may be a little concerned about what is happening, but we know that it takes a long time to build a democratic society. It is partly about institutions, formal arrangements and the law, but it is also about practices, behaviour, common and shared understandings, and the give and take required for a well-functioning democracy. Ukrainians face trying to achieve that with two significant handicaps. The first is the role that some of the oligarchs seem to play in their democracy, and the second is the economic crisis that they face. I was shocked to learn that the Ukrainian economy is 30% smaller now than when the country achieved independence in 1991. Not only is the economy smaller, but there is far greater inequality in the country. It is not therefore surprising that some people are not entirely enamoured of the new politics. High unemployment has led to high levels of emigration. It is unclear, but perhaps 3 million or 4 million people have left Ukraine. They will, by and large, be people in their 20s and 30s. Such a situation has left behind a number of social problems, for example, abandoned children and old people not cared for. Ukrainians really do have a lot on their plate.

We should not be too sanctimonious about the matter because it was advisers from Britain, the European Union and America who rushed over to Ukraine and the other countries of the near east in the 1990s and enjoined on them a process of privatisation. In retrospect, that process was too far, too fast. Major industries were sold at knock-down prices into monopolistic markets. Therefore, the people who bought them were able to exploit market positions and make speedy fortunes. That is particularly problematic at the moment because people are sending their profits out of the country to Cyprus, which is an offshore tax haven. That has created a situation in which economic decisions are politicised and political decisions are subject to economic pressures. There are many reports of corruption in the country. Furthermore, at the moment, Ukraine is vulnerable to the crisis in the eurozone because obviously those countries are part of its major export markets.

Having tried to set out some of the context, I would like to ask the Minister what the Foreign and Commonwealth Office will do about the negotiations for the EU association agreement. Over the past month or so, Ministers have made several statements. I hope that the Minister will tell us that our message is that the trial and sentencing of Mrs Tymoshenko is unacceptable. Is it his intention to halt the negotiations? Is that the position the British Government want to take?

While we are making clear what we find unacceptable, I would also like to ask the Minister what we are doing to strengthen civil society. When I was in Ukraine, I was disappointed to discover that the technical assistance programme has been halved in the past 18 months and that no Minister has found time to visit Ukraine since the general election. I encourage the Minister or his colleagues to visit Ukraine. It is very beautiful, very fascinating and also extremely important.

We need to make it absolutely clear that we expect Ukraine to be a country that respects civil liberties, where the judiciary is independent and the media are free. As well as setting some standards, we also need to offer some support to the Ukrainians.

1.12 pm

The Minister of State, Foreign and Commonwealth Office (Mr Jeremy Browne): Thank you, Mrs Riordan, for giving me the opportunity to wind up this brief but important debate. I am also pleased to have my first chance to speak under your chairmanship.

I congratulate the hon. Member for Bishop Auckland (Helen Goodman) on securing the important debate at a time when there is deep concern in Europe about recent developments in Ukraine. More generally, there is a tendency for many hon. Members to use Westminster Hall to raise constituency issues, which is quite appropriate. However, it is nice to have wider debates that affect our national interest and broader values as a country, and for hon. Members to be able to come to Westminster Hall and discuss such topics.

To assess the implications of the conviction of former Prime Minister Tymoshenko, we need to look at the wider picture and broader erosion of democratic standards in Ukraine during the past 18 months. The hon. Lady said that she regretted that no Minister had recently been to Ukraine. The Minister for Europe would have responded to the debate if he had not been travelling. He is not in Ukraine—I cannot remember which country he is in at the moment—but he travels frequently. I am sure he would welcome the chance to visit Ukraine at the earliest opportunity.

We need to consider the erosion of democratic standards in Ukraine and to answer the following question: why does Ukraine and what happens there matter to us in the United Kingdom? A stable, prosperous and democratic Ukraine that is anchored to European and Euro-Atlantic institutions is in the United Kingdom's national interest for several reasons.

As the hon. Lady said, first, Ukraine is of immense geo-strategic importance, as it borders four European Union member states and, of course, Russia. We must also consider the size of the Ukrainian market, coupled with its near double-digit gross domestic product growth potential. That might not be the same as having double-digit growth but, if political and other institutions were put on the necessary footing, there is clearly the prospect for Ukraine to become an increasingly economically prosperous country. Obviously, that would offer significant opportunities to UK exporters and investors, as well as being of more immediate benefit to the people of Ukraine. Ukraine is also making a significant contribution to safeguarding international security. For example, it is the only non-NATO partner that regularly contributes to NATO missions.

Finally, Ukraine is a major part of the European energy security jigsaw. It is an important transit route from the east to Europe, with 80% of Russian gas sold to EU customers transiting through Ukraine. Of course, that matter is the nub of the issue, but it is also hugely important to the Ukrainian economy and makes the country more widely important in terms of the energy requirements of countries elsewhere in Europe. Ukraine's closer integration with the EU offers the surest way of ensuring that not only Ukraine's long-term interests, but ours and those of our European partners are met. If developments in Ukraine are damaging its prospects for EU integration, it is a matter of concern for the UK and our EU partners, as well as being of more narrow and immediate concern to the people of Ukraine.

Ms Tymoshenko's conviction and the ongoing cases against a number of her former Ministers and officials give rise to serious concerns about where Ukraine is heading. Those concerns are a symptom of broader problems in Ukraine. We also have worries about blurring divisions between the three branches of power—the judiciary, the legislature and the Executive—and about the erosion of media freedoms and a worsening of the business climate as corruption becomes more prevalent. There is an unhappy cocktail of transgressions of liberalism. It is not simply a matter of considering the trial in isolation or how politicians are treated by the courts. There is a wider issue about civic society and its ability to debate and consider issues through the media and elsewhere, and the overall atmosphere in which business is conducted.

In the case of Ms Tymoshenko, it is worth stressing that it is not for the UK to comment on the guilt or innocence of any individual in a court case. Our concerns, which are supported by the views of international experts, relate to processes and principles. In this case, we are specifically concerned about the political motives behind the prosecution without sound legal grounds of Opposition figures, and the way in which any trials are conducted.

The Danish Helsinki Committee for Human Rights, which has been following several trials including Ms Tymoshenko's, recorded several serious violations of fundamental legal principles in direct contradiction of common European values. Such a damning conclusion by such an esteemed observer should give us pause for thought and concern. Moreover, as friends of the Ukrainian authorities and as advocates of their EU integration, we have an obligation to tell them when their actions are incompatible with their ambitions. It is regrettable that, so far, our clear and repeated expressions of concern appear to have fallen on deaf ears.

It is worth stressing that point: the Government wish Ukraine well. We wish to see the country develop, play a full part in Europe and have a positive relationship with the European Union on many different bases—culture, commerce, educational collaboration and politics. However, all that depends on Ukraine's improving its basic civic processes. We are keen to make those points clear to Ukraine. We are frustrated that, given those points were made in a spirit of friendship and in wishing the best for Ukraine, we have not so far managed to make more progress in convincing many people in Ukraine that that is the best way forward for their country.

There can be no doubt about the UK's position. Only a few weeks ago, on 12 October, my right hon. Friend the Prime Minister told the House that

> "the treatment of Miss Tymoshenko…is absolutely disgraceful. The Ukrainians need to know that if they leave the situation as it is, it will severely affect their relationship not only with the UK, but with the European Union and NATO."—[*Official Report*, 12 October 2011; Vol. 533, c. 329.]

Ukraine tells us that it wants to join the European Union one day. The UK continues to support that objective. We remain enthusiastic about further enlargement of the EU to the east, if the criteria are right and the circumstances are correct. However, that cannot happen until Ukraine shows that it adheres to the highest democratic standards, including respect for human rights, the rule of law and an independent, transparent and fair judicial process. The conviction of Ms Tymoshenko and the ongoing cases against other former members of the Government call into question Ukraine's commitment to those values, and could pose a major obstacle to the signature and ratification of the association agreement, and the deep and comprehensive free trade agreement with the EU.

It is right to stress, not least because the EU has been the subject of some debate here in the UK in recent weeks, that those core values, to which member states are required to subscribe as a condition of membership of the EU, offer us and others a powerful lever for raising standards across the continent as a whole and persuading aspirant members of the desirability of advancing in a way that means that they meet the standards that we, in this country, often take for granted.

What exactly has to happen for us to be able to continue to support Ukraine's integration with the EU? The UK, along with our EU partners, wants to see all Opposition leaders, who have been detained on the basis of flawed trials, freed and able to participate in the political process, including in next year's parliamentary elections. Ukraine needs to show the political will to move towards joining the European club by embracing—not just in words, but deeds—the EU's values. The challenge facing the Ukrainian authorities is therefore clear, and we very much want to make that explicit to them.

Arising from this debate and from our wider diplomacy, I hope that there will be no ambiguity about the position of not just the British Government, but the British Parliament and British society. In these debates, I am always struck by how much agreement there is and how much all of us in this House, who may have differences of opinion on domestic political issues and occasionally on international political issues, nevertheless share the core principles and values of democracy and civic society that are embodied in how we practise politics in this

[Mr Jeremy Browne]

country, and are happily embodied in European Union. We wish to see them practised more widely still, including in other European countries that are not—or at least not yet, in some cases—in the European Union.

Some might ask why we should remain so open to Ukraine when we have imposed sanctions on Belarus, for example, for detaining Opposition leaders. The Government's view is that Ukraine is in a very different category from Belarus. While we are bitterly disappointed by recent developments, Ukraine remains among the most democratic states in the Commonwealth of Independent States. Belarus, by contrast, is one of the most repressive countries not just in Europe, but in the world. We remain convinced that the association agreement and the deep and comprehensive free trade agreement represent the best opportunity to embed democracy in Ukraine, transform its economy and contribute to long-term stability and prosperity in Europe. It is the Government's strategy to have that engagement—not to regard Ukraine as beyond the pale, but to demonstrate the criteria it needs to fulfil and the progress it needs to make to become a mainstream and successful European country.

We are making those points in concert with our EU partners. The Government's main objective is to encourage Ukraine to take the steps necessary for European integration, and to speak frankly and critically when necessary while underlining that adhering to the core EU values of democracy, fundamental freedoms and the rule of law is a prerequisite for closer association. Let me emphasise the next point so that there is no mistake either here, or for anybody in Ukraine who chooses to read the transcript of this debate: as far as the UK is concerned, the core principles of democracy, fundamental freedoms and the rule of law are non-negotiable. They are not a point on which we can seek to reach a halfway house with Ukraine. The EU-Ukraine summit in December will be an important opportunity for the Government to make that position clear, and we intend to do so.

We firmly believe that we should proceed with the initialisation of the association agreement, indicating that negotiations have been concluded and locking in almost four years of hard work. However, we should make it clear that formal signature by the EU and member state Governments, followed by ratification by the European and member state Parliaments, will be jeopardised without a satisfactory resolution of politically motivated trials and convictions. I urge the Ukrainian authorities to reflect on that point.

Helen Goodman: Why should the association agreement be initialised? One way to proceed would be for us to say, "Well, this has happened; now we are going to put the brakes on", rather than saying, "Well, we will sign this thing in a month's time and then there is a whole year for Ukraine to make adjustments". Why is the Minister not going down that route?

Mr Browne: My understanding is that the judgment being made is, given that four years has been spent in trying to bring to a head this body of work, it would make sense to consolidate it at this stage. However, that does not commit us, as a Government or as a country, to proceeding through to ratification either here in Parliament or at European level. There is no commitment with which we are then obliged to follow through, if that initialisation is completed.

This is not about backing Ukraine into a corner; it is about reiterating those core democratic EU values that Ukraine has adopted in part, and which underpin integration with the EU. That is the same process of integration that the Ukrainian authorities tell us is their strategic objective. President Yanukovych came to power promising to make Ukraine

"a modern and dynamic country"—

and he has consistently identified EU integration as his No.1 priority. The majority of his people support him in that ambition. The UK and our EU partners have explained to Ukraine what it needs to do to make integration with the EU a reality. The door remains open. We wish to make it clear to Ukraine that the door remains open and we will not slam it at this stage in proceedings, to answer the hon. Lady's question further. It is for Ukraine to decide whether it wishes to commit to EU standards and cross the threshold. The Government hope that it will decide to do precisely that.

Cruise Ship Safety

1.29 pm

Stephen Mosley (City of Chester) (Con): In March this year, a constituent of mine, 24-year-old Rebecca Coriam, disappeared while working for a British employment agency on a Bahamian-registered, American-based, Disney cruise ship in international waters off the coast of Mexico. Rebecca was living her dream, working as a member of the youth staff on the cruise ship, Disney Wonder, which was cruising out of Los Angeles on a seven-day cruise along the Mexican coast. Rebecca was last seen shortly before dawn on 22 March. She failed to report to work at 9 am and the alarm was raised shortly afterwards. The crew initiated a search of the ship, and she was listed as missing at sea. While the Disney Wonder sailed on to her next destination, the Mexican coastguard searched the waters behind the ship and found nothing. The Disney Wonder is registered in the Bahamas and, under international maritime law, it is the responsibility of the Bahamas Maritime Authority to investigate Rebecca's disappearance. Despite an ongoing investigation of more than seven months, Rebecca's family are still awaiting news of what happened to their daughter.

The reason for calling the debate is the recognition that while international maritime law requires cruise ships to take every possible measure to provide safe passage, those measures are often ambiguous and are incorporated into UK and international law through a variety of legislation. When something goes wrong at sea, it is frequently impossible to establish responsibility and to ensure a thorough investigation. Victims are often left without protection, without support and with little prospect of securing justice.

Cruising is now one of Britain's favourite holidays, with around one in nine package holidays being cruise vacations. The number of people cruising has doubled in the past 10 years, including around 1.62 million British people last year. Despite the global recession, the UK cruise industry expects to reach a total of 2 million passengers by 2014. Cruising also has the massively beneficial effect of bringing tourists to the UK. In 2010, a record 116 ships visited 47 UK ports from 53 different cruise lines, bringing 541,000 visitors to the UK. Those figures are more than double those recorded as recently as for 2003. Yet how many of those holidaymakers, passengers and crew realise that, if something goes wrong on their ship, they may be almost totally unprotected?

The first issue with incidents at sea is that national jurisdiction extends only so far beyond a nation's border. Once a ship is more than 24 miles from any coastline, it is on the high seas, in international waters, and the law of that ship is then the law of the country whose flag it flies and responsibility for crimes on board the ship lies with the legal authority of that country. That in itself creates a number of problems, because, to avoid stringent safety rules and regulations and for tax purposes, many cruise companies register their ships in countries with little affiliation to the actual operation of their company. For example, nine of the largest cruise companies operating in the UK, which regularly carry hundreds of thousands of British citizens every year, have a total fleet of 93 cruise ships: 42 are registered in the Bahamas, 25 in Bermuda, 15 in Panama, four in Malta and one each in Cyprus, Italy, Ecuador and Liberia. As for the three remaining ships, when preparing for the debate, I could not track down in which country they were registered.

In Rebecca's case, the Disney Wonder cruise ship was registered in the Bahamas. If I briefly describe the investigation that took place into Rebecca's disappearance, it will become obvious why I have serious concerns about the protection of British citizens while at sea. One officer from the Bahamas Maritime Authority boarded the ship—one officer, three days after Rebecca's disappearance, for a ship with a capacity of 2,700 passengers and 950 crew. Little formal questioning of the ship's crew or passengers occurred, little effort was made to gather or secure evidence and little if any forensic investigation took place on board. After seven months, Rebecca's family are still awaiting news of what happened to their daughter. How could we have allowed that to happen to a British citizen? We have the disappearance of a young Englishwoman, hired by an English corporation to sail on a cruise ship out of a US port, and yet not a single British or American police or forensic team went on board the cruise ship in the days following her disappearance.

Contrary to that pitiful investigation, however, the Foreign and Commonwealth Office website, under "Travel & living abroad" then "Cruise ship passengers", states:

> "Significant crimes against British nationals on any ship can in certain circumstances be reported to UK police and may be investigated even though they occurred outside the territory of the UK.
>
> A crime may also be reported to the authorities in the port/country in which the ship was docked (or was headed) when the crime was committed with the result that local law enforcement agencies may also be involved in the investigation",

yet only one officer from an authority that is internationally recognised as almost toothless investigated the disappearance of a British citizen. In my opinion, that is appalling.

I myself am an enthusiastic cruiser, and I do not intend to berate the British cruise industry. I like to think of myself as someone who pays attention to detail when taking my family abroad, and yet before I was approached by the Coriam family in March of this year, I had no idea, if anything happened to me or my family on board a cruise ship, that the UK authorities or even the authorities in the countries that we were visiting would be impotent to help me seek justice. The Minister must acknowledge that the risks associated with the practice of flagging ships in obscure countries, such as the Bahamas, Panama, Liberia or Ecuador, are unknown to the vast majority of those 1.6 million British citizens who cruise each year. Passengers must be made aware of the jurisdiction that they will be sailing under before they book a cruise holiday and of the potential downsides of sailing under a flag of convenience.

If people go on holiday to the Bahamas and something happens to them, they expect it to be investigated by the Bahamian police. If people were to fly from London to Hong Kong in an aircraft, they would quite rightly not expect the Bahamian police to investigate a crime that happened on board. For crimes in the air, because of the Tokyo convention of 1963, the country of landing has jurisdiction. Similarly, if people go on a cruise ship owned by a US company sailing off the coast of Mexico, they do not expect to be totally reliant on the Bahamian

[Stephen Mosley]

police. If airlines can sort out the problem of jurisdiction through the Tokyo convention, why cannot cruise ships? Rebecca's case highlights the urgent need for greater clarity of jurisdiction if we are to sufficiently and swiftly seek justice on behalf of British citizens.

I want to make it clear that not only cases of missing people must be considered when discussing crimes at sea. Violence, theft and sexual assault also occur on cruise liners, and investigations are often as fruitless as in the cases of missing persons. There are no centrally collated records of crimes at sea. In fact, many cruise ships are not even required to keep their own logbook of incidents on board. It is not unsurprising that cruise ships and cruise companies do not publish the number of offences that occur on board, and only by trawling through international records and news reports and through contacts with victims and their families can campaign groups such as the International Cruise Victims association and Victim Support collate figures. International Cruise Victims states that at least 165 people have gone missing at sea since 1995, with at least 19 so far this year alone.

Sexual crime on board cruise ships is also a problem. Incidents of sexual assault and sexual victimisation are significantly more common on board cruise ships than on land. The south Florida newspaper, the *Sun Sentinel*, obtained copies of FBI reports of serious crimes on board cruise ships between December 2007 and October 2008. The sexual assault and sexual contact reports from just one ship, the Carnival Valor, which is registered in Panama, indicates the possible scale of the problem: 15 January 2008, female passenger victim; 21 January, female passenger victim; 6 March, female passenger victim; 21 March, 16-year-old female victim; 24 March, female crew victim; 8 June, female crew victim; 13 June, 16-year-old female victim; 9 September, female crew victim; 17 September, female passenger victim. Just one ship in less than one year reported nine sexual assaults and sexual contacts to the FBI.

Improving the prevention and investigation of crimes at sea needs a twofold approach, which includes tightening safety regulations governing cruise ships and clarifying international co-operation when investigating crimes. Last year in the United States, President Obama signed into law the Cruise Vessel Security and Safety Act 2010, which is designed to increase security, law enforcement and accountability on cruise ships in international waters and for ships that visit US ports. I urge the Minister to consider implementing a similar Act in the UK. Bringing together the variety of laws that currently govern cruise ships into one concise and comprehensive set of regulations would go some way to improving the safety of cruise ships. However, that is only the tip of the iceberg.

The Minister will doubtless tell us about the extremely high standards that pertain to ships flying the red ensign, and he will be totally right. However, by the end of this year there will be no cruise ships registered in the UK. The last three ships—the three Cunard Queens—have re-registered in Bermuda in the past few days. He will also tell us about the high standards imposed on ships registered in Crown dependencies, and he will be right about that, too. I am sure that he will also tell us about the high standards that the UK imposes on cruise ships that dock in the UK, about which he will also be right. However, the vast majority of British cruise passengers sail ships registered in different jurisdictions, which might be the Bahamas, Panama or Liberia. The majority of British cruises now sail from ports outside the UK, of which there were almost 1 million in the past year alone.

When it comes to crime against British subjects on ships registered with a flag of convenience from ports outside the UK, British nationals such as Rebecca can be almost alone and unprotected if they are the victim of crime. They may not even be aware of that until it is too late. It is vital that passengers be made aware of the jurisdiction they will be sailing under before they book a cruise holiday, and they must be made aware of the potential downsides of sailing under a flag of convenience.

It is also imperative for the UK authorities to take greater responsibility for investigating crimes against UK nationals that occur on the high seas. I urge the Minister to work with the Foreign and Commonwealth Office to co-ordinate with the International Maritime Organisation and with international law enforcement agencies such as Interpol to help synchronise a more coherent structure for criminal investigations in international waters and on ships flying flags of convenience.

More needs to be done to safeguard British citizens on cruise ships. I hope that the Minister and his Department will take on board these concerns and ensure that action is taken to do just that.

1.43 pm

The Parliamentary Under-Secretary of State for Transport (Mike Penning): It is a pleasure to serve for the first time under your chairmanship, Mrs Riordan. I congratulate my hon. Friend the Member for City of Chester (Stephen Mosley) on securing this debate. He will acknowledge that I have met Rebecca's family, and I have made promises, which I will keep.

I pay tribute to Rebecca's family. They have had a tragic loss, which has been exacerbated by not knowing what actually happened to her. However, that has not stopped them campaigning for justice for Rebecca and for other victims in not only cruise ships but the whole maritime fleet.

Cruising is a boom industry; it is popular. My hon. Friend mentioned the figures: 1.7 million Brits went on a cruise this year, and the figure is 20 million around the world. The vast majority of them have cruised in safety, although I accept my hon. Friend's point. The figure of 1.7 million is due to rise to 2 million in the next three to four years. We must not be complacent. There are things that we as a nation have control over and things over which we have no control. Sadly, Cunard has recently announced that the three Queens have been re-flagged outside the UK. Weddings were a particular issue for cruise lines. I got married in an old-fashioned church, but these days people want to get married in myriad different places, including on cruise ships. Under British law, people cannot get married on a British ship, but I will amend the legislation as soon as I can so that people will be able to marry on board a ship. Weddings can be held in many different places in this country, but not on a British ship, which is ludicrous.

There is no doubt that the infraction proceedings and the mess I inherited from the previous Administration on differential pay has meant that we are having some

ships flag away. That is very sad, and I have done everything possible to help, but the blame lies firmly with the National Union of Rail, Maritime and Transport Workers and the Nautilus union. They took the British Government to the European Commission for not implementing legislation. I hope that they have seen the error of their ways, because we are now seeing British jobs and British ships being flagged abroad.

I am sure that my hon. Friend will agree that crime takes place not only on cruise liners, but in merchant fleets around the world. One of the most serious crimes, rape, has taken place, and has clearly not been investigated properly. Cases of missing persons, as in the case of Rebecca, have also not been properly investigated. The simple truth is that the country in which the vessel was flagged is not capable of doing the sort of investigation that we and Rebecca's family would like. As far as I can work out, it did hardly anything; it was very half-hearted. I am sure that Disney is conscious of its image, but it was more interested in getting the ship back to sea than in investigating the case of the missing member of their crew.

I pay tribute to Rebecca's family and the dignity that they have shown. I made promises about what I could do immediately, which included writing to the Bahamian authorities and asking them to inform me exactly where the investigating was going. I also instructed the marine accident investigation branch to register the UK as a substantially interested body. I have instructed the branch to register a substantial interest in every case where there is a British citizen involved on any ship anywhere in the world. That is a significant move. It is not something that we had been planning on doing, but this particular case has opened our eyes as a country. We are using the skills of the marine accident investigation branch, which is world-renowned. If a British citizen happens to be on holiday on a cruise liner—not on a beach—they should get the protection that we would normally expect from a British Government.

We have also been supportive of the Cheshire police, to whom I pay tribute. They have taken on the mantel and been heavily involved, but they have been frustrated by the way the case has been handled. We and the Foreign Office will continue to support them in the ongoing investigations.

Last year, I attended a conference of red ensign Crown dependencies in Jersey—I am the Minister responsible for the red ensign not only in the UK but in other Crown dependencies. I stated that flag states have a detailed, moral and ethical responsibility towards those who travel on their flagged ships; I do not think that point has been highlighted in that way, and I shall continue to emphasise it. At the conference, a senior police officer made exactly the same point as that raised by Rebecca's family and my hon. Friend. Who takes responsibility for an investigation into something that did not happen on a flagged ship? That is a difficult question, and we have had many meetings to look at where the responsibility lies.

My hon. Friend alluded to the Americans and, like me, President Obama is in an interesting position. Although I have a large number of flagged vessels, I do not have any cruise ships under me, and neither does President Obama. When we talk to the rest of the international community about how to join investigations together and be taken seriously, we must be careful not to preach to people about things for which we are not responsible in the same way. As I am sure my hon. Friend knows, the American flagged fleet is small and insignificant in world terms, which is unusual for such a huge nation. That is because many years ago, America flagged off many of its ships to Panama and the Marshall Islands for political reasons. We must not be hypocritical in telling countries what they should do when we do not have responsibility for cruise ships.

As I stated earlier, however, this issue goes beyond cruise liners. It is crucial that people feel safe on a ship, whether they are at work or travelling for leisure, and whether they are on a cruise liner or, speaking more loosely, a cargo freighter going round the coast on a regular basis. The issue is also crucial for women—I will be slightly sexist on this point—because historically women did not serve on ships in the way they do today. I have had the pleasure of presenting the cadet of the year award for the past two years—I have managed to survive that long in this job—and each time the merchant navy cadet of the year was a lady. That shows where the industry is going, and the skills and expertise that women can bring to it. At the same time, however, women need to be protected. Sadly, I have read about an instance of a female crew member who was raped. The incident was not investigated properly and was followed by a suicide. That did not happen in our territorial waters, but that is not the point. Such things do happen.

I promised Rebecca's family that I would do everything I can to help, and that I would go to the top when looking at international responsibility. The International Maritime Organisation is based just across the river in a Department for Transport building—my colleagues will love my mentioning that—which is the only United Nations establishment in the United Kingdom. As promised, I wrote to the IMO's outgoing secretary-general detailing not only Rebecca's case but the other cases that we have heard about. I had a follow-up meeting with the secretary-general and his officials, together with the incoming secretary-general from Japan, who will take over in the new year. That meeting was very positive and unlike in previous attempts by the US, we appear to have started to pull a consensus together.

The IMO safety committee agreed guidelines previously at the 89th committee, and we will table a motion, to which I hope other member states will agree, asking the security council within the committee to look formally at the whole issue on an international basis. That will not, of course, take away from the responsibilities of individual member or flag states within their territorial waters, but it will start to implement a correct procedure for events that occur on what we commonly call the high seas. That is hugely important to Rebecca's family and others who, in many ways, have had their lives destroyed by events on the sea.

The international community can no longer ignore its responsibility to ask, through the IMO, how we can better deal with such situations. Countries used as flags of convenience—for want of a better word—need to cope with the investigations that are necessary when certain events happen, as sadly we know they will. Some of the ships are like small towns; the largest has 7,000 guests and 2,000 crew members. That is bigger than many of the towns we represent; it is like two wards

[Mike Penning]

in my constituency, all on one ship. When there is such a cramming together, there will be good and bad people there, just as in any other society.

People go on holiday, just as I did as a young man when I went to Benidorm all those years ago. They want to have a good time, but others spoil it for them. That happens, and there are criminals in our society. If someone rapes, they are a criminal; if they are involved in crime on a ship, no matter where in the world, they are a criminal. It is therefore important to pull together and look at how to address the situation. The crux of my hon. Friend's argument is that where we do not have responsibility for the ship and the flag nation is not capable of addressing its responsibilities, we must look at how the international community can pull together.

I passionately believe that we have some of the greatest police authorities in the world. The Association of Chief Police Officers has shared guidance on best practice, which is used extensively around the world. My hon. Friend will probably agree that we also need to name and shame some of those cruise operators that do not take their responsibilities—for want of a better word—as carefully as they should.

We must not, however, denigrate all ship companies. I have a cutting in front of me from the *Evening Standard*. It mentions a P&O-registered ship that had a man overboard the other night in the middle of the Atlantic ocean. A passenger saw what they thought was someone in the water and raised the alarm. The ship dispensed three lifeboats and many lifebuoys, made a complete U-turn and—miracle of miracles—the man was pulled out alive. I think that P&O should be praised, and particularly the captain of the ship involved, the Ventura. The ship obviously had a code of best practice and a set of skills in place so that it could respond to such an event.

I have also heard of instances where a ship has hit a trawler in the English channel and a fisherman has died. The ship knew it had hit someone, but carried on. Those are two extremes in an industry that is expanding not only because there are a greater number of cruise ships, but because of the sheer size of the ships to which our ports now have to adapt. The largest ship in the world, the Emma Maersk, can function with a crew of 13 or 14 people. How can they respond to certain situations?

We must also not take away from the responsibilities of the one person who I have not yet mentioned—the captain of the ship. The captain of a ship on the high seas is the sole person responsible for the ship. If the ship is flagged by any country, including the UK, that country also has responsibility, as does the international community.

We have fulfilled the promises I made to Rebecca's family in my office a few weeks ago, but we will not be complacent in any shape or form. We will push on. There is an IMO conference in London later this month. There are some indications that, as I hope, our proposals will be supported, and we can show the rest of the world that, yet again, the UK is leading in safety on the high seas.

Question put and agreed to.

1.59 pm

Sitting adjourned.

Westminster Hall

Wednesday 2 November 2011

[JOHN ROBERTSON *in the Chair*]

Parliamentary Lobbying

Motion made, and Question proposed, That the sitting be now adjourned.—*(Jeremy Wright.)*

9.30 am

Paul Flynn (Newport West) (Lab): Thank you for calling me to speak, Mr Robertson.

"It's an issue that crosses party lines and has tainted our politics for too long...an issue that exposes the far-too-cosy relationship between politics, government, business and money. I'm talking about lobbying—and we all know how it works. The lunches, the hospitality, the quiet word in your ear, the ex-ministers and ex-advisors for hire, helping big business find the right way to get its way. In this party, we believe in competition, not cronyism. We believe in market economics, not crony capitalism. So we must be the party that sorts all this out. Today it is a £2 billion industry that has a huge presence in Parliament... I believe that secret corporate lobbying, like the expenses scandal, goes to the heart of why people are so fed up with politics. It arouses people's worst fears and suspicions about how our political system works."

All those words were from our Prime Minister when he was in opposition.

The purpose of today's debate is to ask how far we have got. How far has the Prime Minister delivered on those promises? The political class is probably less trusted than at any time in history. After the expenses scandal, the public have the right not to trust us. They will look at what we do and will almost always reach the worst conclusion on our motives. It will probably take at least a decade for MPs and for politics to win back the trust and confidence that we enjoyed in the past.

What have the Government done in their 18 months in power? They certainly promised, in the coalition agreement, a compulsory register of lobbyists, but progress has not been promising. All parties promise to end the excesses of lobbyists when they are in opposition. In government, both the Tories and Labour have bottled it.

The reason why the previous Government did not progress on instituting reforms was revealed in a frank interview by a former Cabinet Office Minister, who said it was because he and the Government were lobbied. We members of the Public Administration Committee were also lobbied, and we made the point that the people we had before us, giving their excuses as to why there should be no interference and why they should carry on in their own way, were professional persuaders and, in many cases, professional deceivers. They had to present the best case, and of course they were brilliant at doing that, because they train people on how to give evidence to Select Committees.

Thank goodness that the Public Administration Committee took a stronger line; its recommendation was that we need more safeguards to cleanse the parliamentary stable. We were short of a smoking gun when we made our report in January 2009, but smoking guns appeared within weeks; there was the sting involving the four Members of the other place and the "cash for legislating" campaign, and the extraordinary, shaming episode of politicians for hire. A group of distinguished politicians with great reputations were shown on television putting their integrity and reputation up for sale for a certain amount of money. Potentially, that episode was a greater scandal than the expenses one, but as far as I can see, we are making virtually no progress on improving that situation.

Alun Cairns (Vale of Glamorgan) (Con): I congratulate the hon. Gentleman on securing such an important debate. The definition of lobbying is difficult to grapple with when drafting legislation. Where would he place trade unions? Does he consider them lobbyists?

Paul Flynn: The answer is yes. Trade unions are lobbyists, as are charities and all kinds of bodies.

The main argument that was made to Labour Cabinet Office Ministers is presumably the same one that lobbyists are making to the present Minister. Lobbyists find it impossible to defend the existing secrecy and the fact that large organisations and rich and powerful bodies can buy access to the Government—that is indefensible, and no one would pretend that it can be right. As that argument does not work, they have invented a new one about how reform will upset all the good people—the nice, friendly, cuddly charities and the trade unions—who will also be damaged. That was the main thrust of the argument used against the previous Government to undermine reform.

I am sure that the Minister will be happy to tell us how many meetings he has had with lobbyists. How much has he been lobbied?

David Simpson (Upper Bann) (DUP): I congratulate the hon. Gentleman on obtaining this debate. I have much sympathy with what he is saying, but it is very difficult for constituency Members who are approached or lobbied by investors or unions not to be seen as being lobbied. Surely that is part and parcel of an MP's job.

Paul Flynn: One MP who gave evidence to the Committee was taking £70,000 a year from a commercial company. *[Interruption.]* Wait a minute. His offence related to the fact that the commercial company had interests in his Department. He said that jobs were going in his constituency and he was doing his job as a constituency MP. The answer the Committee members gave was that we all do our jobs as constituency MPs by fighting for jobs in our constituency, but we do not have to take a £70,000 bung for doing so, which is what the public look at.

Mr Andrew Smith (Oxford East) (Lab): I congratulate my hon. Friend on securing this debate and, as ever, I am following his remarks with close interest. Is not transparency the greatest safeguard? Do we not therefore need not only a register of lobbyists and an open record of contact between the Government and lobbyists, but full disclosure on the funding of lobbyists?

Paul Flynn: That is exactly what we need, and it was the main recommendation of the Select Committee.

I hope that the Minister will tell us whether he has had the same treatment as his Labour predecessor. Has he been approached by the lobbying organisations explaining how difficult reform would be, how difficult

[Paul Flynn]

it is to reach a definition of "lobbyists", and how reform will be so unfair to charities and trade unions? Will he tell us what he has declined to tell that splendid organisation, SpinWatch, which is investigating these matters—how many times and on what dates he has been lobbied, and what messages were conveyed to him? It looks as though the lobbyists have succeeded again by lobbying the Government to delay any activity or any sign of reform.

Jim Shannon (Strangford) (DUP): We MPs are regularly contacted by interested bodies. We do not necessarily have all the information in front of us, but we have hard-held opinions—opinions that make us, and blend with us, so that we form a view on what we should do in the House. Does the hon. Gentleman feel that a balance is needed? Members have a job to do and have hard-held opinions that we wish to hold on to, but it is not wrong for lobbyists to come along and give us their opinions and their information.

Paul Flynn: Indeed, it is not. That, of course, goes on as part of the system. Lobbying lubricates the parliamentary system, and always has. We lobby and our constituents lobby; of course that goes on. We are against what the Prime Minister has called "corporate lobbying". Those who engage in it are the people who are potentially the most damaging: those who are seeking contracts, but do not want to do it on the basis of open tendering, and instead want to go behind the scenes to have secret meetings with Government. Some extraordinary decisions have been taken by all Governments on the award of contracts.

We want to make sure that no Minister's judgment will be distorted by the possibility of the revolving door. It is extraordinary how, shortly after retiring, former Ministers find lucrative jobs with companies that they once dealt with as Ministers. When a contract has been awarded—sometimes for billions of pounds—who is to say that no one tipped anyone the wink by saying, "If you go for company A rather than B or C, we'll make sure you are looked after, and get your hacienda in Spain. You will have a lucrative job in retirement"? There are many examples—hon. Members may be aware of them—from all Governments of the revolving door after Government, and the possibility that Government influence has been used.

The problem is not that those concerned are doing well out of their contacts, or are sullying their integrity. The problem is that the decisions they take in Government may be corrupted by the prospect of future employment and riches. There are strong cases for believing that that has happened, and might happen again. Unless we can jam the revolving door and bring reform, that will continue. We cannot reform the system without transparency.

Alun Cairns: In 2006 there was a proposal to amend the Bill that became the Companies Act 2006, which would have got a handle on how much companies spend on lobbying. The hon. Gentleman voted against the amendment. Is that an inconsistency, or has he changed his mind since then?

Paul Flynn: Is this "Mastermind"? I really cannot account for the tens of thousands of votes I have taken part in on clauses of Bills. I shall disregard the hon. Gentleman's intervention as worthless.

In November last year, the Deputy Prime Minister promised legislation in the current parliamentary Session, which ends next spring, but that has now been delayed and we are likely to have no change until 2013. Let us look at what has been happening since then. Has there been reform? Has there been a new atmosphere in the House? Do we treat lobbyists differently? I wrote to an hon. Member to say that I would mention him this morning. I shall not mention his name or constituency, but I spoke to him at length this morning. What he is doing might be entirely honourable—he takes an income of £30,000 from lobbyists—but it is not acceptable or wise in the present post-scandal Parliament. I believe that suspicions will be aroused and people will say, "Where there's smoke, there's fire." There may well be no fire. I am sure the man is behaving in the right way.

Kwasi Kwarteng (Spelthorne) (Con): Surely in that case it is the job of constituents to vote the offending Member out. The issue is transparency. That is clear and on the books, and everyone can make his or her own judgment.

Paul Flynn: Yes, but the problem is that the public will, with some justification, believe the worst of us after the expenses scandal. They had all those assurances before. The excuses will not work, and we need clarity and simplicity in the way we behave. It is entirely wrong for a Member of Parliament to be employed by a company—£30,000 is a substantial amount, many times the minimum wage—and, having taken that money, to raise subjects on which the company concerned is campaigning, and then say, "Of course, this is about the interests of my constituency; it approached me on the issue." That is what the hon. Gentleman in question says. I believe that the public are right to be suspicious of us, and I refer to the words of the Prime Minister in that regard.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): Would the hon. Gentleman consider it permissible to do that for nothing?

Paul Flynn: No. The position is this. Someone may want to lobby on a subject, but what a Member is allowed to do should be a question of their interest, conscience, constituency and so on. If someone who is taking a considerable sum of money from an outside body appears then to be pursuing its business—what it is asking for—that is extremely foolish and dangerous. I have explained that at length and had a long conversation with the Member in question. I believe that there is only one Member in that position.

When I came into Parliament 25 years ago, probably a majority of the Members in one of the parties took money from outside sources. Some were openly referred to as the Member for this or that company. In the previous Parliament, one was referred to as the Member for Boots, with some justification—there is some truth in that view of things. We are Members for our constituencies, and are paid handsomely for our work. We are paid a full-time wage. We should not have

income from outside. There is a splendid book on the subject, which I commend to hon. Members, that suggests that all MPs should put any income they receive above their salary into a charity fund. That would do something to restore the public's trust in us.

What else has been going on? New interest in the debate has been precipitated by the Werritty scandal. That will continue and other hon. Members might want to speak about it. We have allowed honeyed words to be used, and have talked about a blurring of the ministerial code, when we know that what happened was a flagrant abuse of the code. The investigation will continue, and many matters arise from the Werritty scandal, which should be of interest to us.

Chris Bryant (Rhondda) (Lab): Is not one of the ironies of the Werritty case the fact that Sir Gus O'Donnell's report declared that Mr Werritty was not a lobbyist?

Paul Flynn: Indeed. I read it with some interest. Yesterday, three very senior figures, including past Cabinet Secretaries, came before the Public Administration Committee to discuss the matter. I was very concerned about what has happened. We know that in this case it seemed that a secret foreign policy was being created. Money was coming in from organisations that many of us would regard as having extreme aims, to subvert Government policy. Where commercial firms were involved, were they there to buy influence, or to influence contracts? Anything on those lines is entirely wrong, and if those contacts were made, they should have been made publicly and declared. They were not. We will have to learn the lesson there.

Even on smaller matters, can we trust the Government, who last year altered the ministerial code so that all meetings with lobbyists should be declared by Ministers, when this week we learn that one Secretary of State enjoyed a five-star dinner at the Savoy, held by a major lobbying firm, and that among the other guests was a company that was lobbying his Department? Instead of transparency and openness, we have the Secretary of State defending himself and saying that on that day he was eating privately, not ministerially. *[Interruption.]* Indeed, he is eating very well, and his eating habits are a matter of some interest to the House, and parliamentary sketch writers. However, that is a small example, although not of enormous significance: it is a sign of the lack of any conviction in government about instituting genuine reform.

John Mann (Bassetlaw) (Lab): On the case that my hon. Friend cites, is he aware that that Minister was performing a quasi-judicial role, and that if a judge had had such a dinner, people would have gone to prison for contempt of court?

Paul Flynn: My hon. Friend is entirely right. We cannot deal in excuses and half truths any more, because of the position we are in. If there is a rule—and the Government created that rule, for goodness' sake—let Ministers abide by it and not make silly excuses.

Advocates and paid representatives of some of the worst and most oppressive regimes in the world use this building and this House, to invite MPs—sometimes naive MPs—to visit their countries, to try to win their support. Among such countries, Azerbaijan and Equatorial Guinea are very active at the moment. Should we allow that to continue? Should we allow this building and its facilities, and the good will of Members to be used, in the way that other Parliaments have cosied up to oppressive regimes?

Robert Halfon (Harlow) (Con): Will my hon. Friend give way?

Paul Flynn: My hon. Friend is going to mention Libya.

Robert Halfon: No, I am not.

I thank my hon. Friend for his remarks and I congratulate him on securing the debate. I am a vice-chairman of the all-party group on the Kurdistan region in northern Iraq. I have been there twice, and the visits are declared in the register. They have been incredibly educational, because I wanted to visit a progressive, Muslim and democratic nation that follows the rule of law. Surely my visits were a good thing?

Paul Flynn: My comrade Robert—as I call him—and I serve together on the Public Administration Committee, and we have many common causes. I would not suggest that there was anything untoward in what he does, and I am sure that he does not receive an income from the Government of that country. However, other MPs do, directly or indirectly, from some regimes. Money is being paid—it is all there. It is a question about the way in which we are going.

I want to pay tribute to Tamasin Cave of SpinWatch and the other organisations that have persisted in their support for the Select Committee's recommendations about what all Governments are doing. We must ask ourselves: are the Government serious about the matter? Are we making any progress in rebuilding our reputations? Are we quelling what the Prime Minister called the public's "worst fears and suspicions"? We have to be concerned about those fears and suspicions. The perception of how this place behaves is crucial.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Gentleman on securing the debate. He has outlined the need for people to know about Members being approached and lobbied. Would it not be helpful if all Members did what some Members already do—I have done this in my constituency—which is to make it clear to the public and our constituents when we are lobbied and when we have refused to be a victim of a lobbying group, so that other lobbyists get the message that there is no point in lobbying MP X because he or she has made it abundantly clear in the local press that he or she will not be lobbied, receive favours or be fêted? That would help address the issue of perception that the hon. Gentleman is talking about.

Paul Flynn: I agree entirely with the hon. Gentleman. That is precisely what we should do. We must take a puritanical line with ourselves to ensure that the public believe us. When the public read about what is going on and see the drip, drip of stories about links between MPs and others, they will assume that we are all in the business of being influenced by outside sources.

Simon Hart: I have spent the past 18 months encouraging constituents to lobby me, either as individuals or in groups. We have to be careful that we do not say,

[Simon Hart]

"A plague on all your houses". Some constituency lobbying is extremely valuable, informative and educational, and we should encourage it.

Paul Flynn: I am grateful to hear from a former lobbyist. I believe that the hon. Gentleman's previous career was lobbying for the abuse of small, loveable animals for fun—that was his message. I am sure that he would have found a welcome in the current Government if he was still lobbying for animal abuse, which is what he believes in and is his passion.

Simon Hart: If I may correct the hon. Gentleman, I recall that he was rather supportive of a donation of £1 million to the Labour party by the Political Animal Lobby, which he supported hugely, in the 1990s.

Paul Flynn: I certainly supported all animal welfare groups for many years in my political capacity, which is what my constituents want.

Kwasi Kwarteng: They were lobbyists.

Paul Flynn: Indeed—

Kwasi Kwarteng: And they gave you money.

Paul Flynn: No, they certainly did not give me money. I hope that the hon. Gentleman is not suggesting that.

Mr Denis MacShane (Rotherham) (Lab): My hon. Friend said a moment ago that we should be much more puritanical. I think that I am a Labour Cavalier rather than a Puritan, but we should have all sorts in our party.

My hon. Friend and I served on the Council of Europe for some years. I was astonished at the delegates bringing girlfriends, wives, staff and children, all at the same time, filling up the Members' room and using expenses to put them up in nice hotels. Does he think that we should stop all that, and that Members should go on any such delegation visits by themselves?

Paul Flynn: The situation is quite clear. If that happens, anyone who goes out, including staff, should not add any cost to the public purse. If my right hon. Friend would like to investigate the case, he would find that even dinners at an embassy are now paid for at a rate of €30 for any guests.

Transparency about those who are getting through to the Government at the moment arose when the issue about good, selfish and commercial causes was raised again. According to a report in *The Guardian*, there have been 10 times as many meetings between the Government and corporate lobbyists as there have been with trade unionists. There have been four times as many meetings of corporate lobbyists with the Government as there have been with charities. Already, a process is going on secretly behind closed doors. The loud and insistent voices come from those who can afford to buy expensive lobbyists and access to Government.

Margot James (Stourbridge) (Con): I share the hon. Gentleman's concern for transparency, and I am sure that a number of the cases to which he has alluded are regrettable or wrong. However, we must not besmirch the names of many people who work in the public affairs sector. I used to work in the related public relations sector. I hosted a reception for B&Q the other day in Parliament and many Members turned up, and I dealt with a public affairs company hired by B&Q for that purpose. There is absolutely nothing wrong with that—it wanted to get the message to parliamentarians about its excellent community work. What is wrong with that?

Paul Flynn: What is wrong with it is the incestuous relationship between Parliament and the lobbying world. Many Members, particularly new ones, used to be lobbyists—there is a bigger number than ever before—and many MPs hope to become lobbyists when they retire.

I have been speaking for a long time, so I will make my final point. Our great problem is that the tentacles of lobbying are sunk deep into the body politic, and it is very difficult to remove them. Two Governments have so far failed to do so, in spite of the Select Committee's urgings. Of course there can be excuses and explanations, saying that there is nothing sinister about the issue, but I return to one of my previous points, which is that we must restore our reputation with the public.

Our reputation is in a terrible state after the expenses scandal. The public have a right to be suspicious of us and to disbelieve our excuses. If we give them a chance to say, "This action by an MP could be misinterpreted," as in the case of the Member who was receiving income from a lobbyist, we should have a code of conduct that will remove any doubt. A person cannot eat privately one day and ministerially the other. He or she cannot blur the differences by ignoring the fact that someone who is giving advice and is present in a meeting is taking income from undeclared outside sources. That cannot be allowed—we cannot go on like that. We cannot have groups in this building taking money from oppressive regimes without its being clear what their programme is. The Prime Minister, when he was in opposition, stated clearly in splendid words that lobbying would be the major scandal of the future unless we have clear and simple root-and-branch reforms now that make no compromises and leave no loopholes. That is what is called for and it is also our purpose.

I shall end now, Mr Robertson—it is a pleasure to serve under your chairmanship—as I understand that many Members wish to speak so that we can use the opportunity to ask the Government what they have done to honour the Prime Minister's fine promise and when reforms will be introduced to ensure that we have a transparent system with a compulsory register.

Several hon. Members *rose—*

John Robertson (in the Chair): Order. Before we go any further, let me say that a number of people wish to speak in this debate. Those on the Front Bench will have 10 minutes each, so there is 40 minutes between the rest of you. I would be most grateful if you all looked at timing your speeches.

9.59 am

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): I will start by declaring an interest: I am a former lobbyist and an unpaid board member of a group which spends part of its time lobbying this place and other places.

I congratulate the hon. Member for Newport West (Paul Flynn) on securing this debate. I hope that I encourage him when I say that I sympathise with much—but not all—of what he has said.

The Government's progress in their first 18 months of office is rather more promising than that which their predecessors achieved in 13 years. The coalition agreement strikes the right balance between encouraging lobbying and ensuring transparency. People should know what we are up to over and above what they can obtain from the register and under the Freedom of Information Act. None the less, we must be cautious about some of the unintended consequences. I do not want to over-simplify things because, as I have said, I am on the same page as the hon. Gentleman in so many ways. The solution is not only the register but the codes of practice and the professional standards that underpin the register. As a former lobbyist, I attach the greatest importance to those matters.

As a Government and a party, we promote and champion self-regulation over statutory regulation. Having dealt with a number of regulators in my previous life, I have some experience of such matters. My experience of the Advertising Standards Authority as a regulator was pretty good. The organisation had teeth, it did things and it applied standards with which the lobby industry was entirely comfortable. My experience with other organisations, such as the Market Research Society, was less than satisfactory. When trying to table a complaint against an individual member of the MRS, we found that the president of the MRS was the very same person against whom we were lodging the complaint. I am talking about not just blurred lines, but real confusion, and I had a similar view of the Press Complaints Commission. I am probably one of the few Members in this Chamber who took Piers Morgan to the PCC when he was editor of the *Daily Mirror*. I was astonished by the complete contempt that he showed for that body—it was as if it was not there. He did not give a damn. At that particular moment, it was, as far as he was concerned, a toothless organisation.

Chris Bryant: It still is.

Simon Hart: The hon. Gentleman has more recent experience of the organisation than me.

Mr MacShane: The Leveson inquiry is investigating this matter. There is the huge question whether there needs to be a fully independent, backed-under-law body to which the public can go with press complaints. We have already debated that at length in the House, but will the hon. Gentleman, as a Conservative, support something much stronger—if not statutory—than the PCC to which the public can go with complaints about appalling press behaviour?

Simon Hart: I suspect Mr Robertson may get at us if we drift off lobby groups too obviously. All I will say is that there is a huge difference between a trade organisation and a regulator, and confusion arises when people try to be both. Any measure that separates the role of a trade representative and a regulator has to be something that we view positively.

The hon. Member for Newport West has mentioned definitions. With the greatest respect to him, he over-simplified the situation. There are many worthy charities representing large numbers of people—in some cases, they represent smaller numbers of people—that fall into the lobby category. We must all ensure that we do nothing to interrupt the ability of the charitable sector to lobby us hard. If we do not permit or encourage that, we will create a worse situation as far as public confidence is concerned.

Robert Halfon: I note what my hon. Friend has said about lobbying by charities. Although many charities do a remarkable job, does he not agree that charities would be better off focusing on their charitable works? In 2009, Oxfam reportedly got 25% of its funding from the state, but then spent £25 million on what was described as "helping people to lobby Government". Surely, most of Oxfam's excellent work should be primarily focused on the front line.

Simon Hart: I agree with my hon. Friend up to a point. One purpose of the charities, however, is to persuade Government and political parties to recognise the needs of their charitable members and to legislate—or not legislate—accordingly, so it is a perfectly legitimate activity. Age Concern, for example, does very good work in informing and persuading us.

Mr Andrew Smith: On charities, what aspect of registration, transparency and financial disclosure does the hon. Gentleman fear might impede their legitimate activity?

Simon Hart: There is absolutely no problem with transparency. I was also involved in setting up a rural charity, so I do not have a problem with that in any respect. Bureaucratic red tape or cost impacts that cannot be justified would be a problem. There are people who make legitimate donations to charities because of the good work that those charities do. They like to do so in private, and they would be less inclined to donate if they thought that their donations were going to be seen by all and sundry. To want to contribute to a charity in private is a perfectly reasonable thing. We need to be a wee bit careful in exposing all donors to all charities, because that might have a detrimental effect on charities that rely on people who like to do such things under the radar. I am not saying that there is not a solution, but a balance needs to be struck.

John Cryer (Leyton and Wanstead) (Lab): I agree with a lot of what the hon. Gentleman is saying, but much of the speech by my hon. Friend the Member for Newport West (Paul Flynn) dealt with direct payments to people who are elected. For example, if a company pays a councillor, it is regarded as a bribe and it is illegal, but similar payments to an MP are perfectly legal. Is that not the kind of contradiction to which my hon. Friend was pointing?

Simon Hart: The hon. Gentleman makes a reasonable point. However, I am not as convinced as others that simply because somebody undertakes, in a way that is perfectly above board, a piece of work on behalf of a charity that it necessarily constitutes deceit in the eyes of the general public. There are plenty of Members of

[Simon Hart]

Parliament and elected members of other devolved institutions who have done their job with great distinction and worked on behalf of a charity that backs a cause that they were particularly aligned to, and they have not suffered at the ballot box as a result. What they have done has been open and accountable. We must take care not to assume that all those things are always seen as negative, because they are not and in some cases they can be seen as positive. As my hon. Friend the Member for Harlow (Robert Halfon) has said, as long as the information is out there, it is up to the electorate, who I guess we all trust, to make a judgment. In many cases, that judgment has been made positively in respect of Members who have done it. I simply put the argument as it is without necessarily having a solution to it.

There are very good reasons for encouraging constituents, singly, in small groups or as official delegations, to lobby Members of Parliament on behalf of causes or concerns in the constituency. I would hate to see us introduce any measure that made it more difficult for our constituents to do that. The hon. Member for Newport West has goaded me on the animal welfare arguments. Of course, there are some fantastic charities, such as the Royal Society for the Protection of Birds, that represent many millions of members and that can organise themselves on a constituency basis and lobby for a particular cause in that area. Good luck to them, because that is what they are there for, that is what we pay our membership for and that is what they should be encouraged to do. As I have said, we need to be careful about an unintended consequence that would actually put off all those people, make their access to us more difficult and make all the more awkward their ability to persuade, inform and educate us. We should not be involved in anything that suggests that.

On donations, we must be—as ever—extremely sensitive, for all the reasons that the hon. Member for Newport West has mentioned; I agree with him about that. However, that is not to say that all donations should always be made public, come what may, for the reasons of charitable good will that I mentioned earlier.

To be frank, if we end this process of trying to make lobbying more open, accountable and transparent, which is a process I support, by coming up with a system that is more toothless, more pointless and more expensive than the current one, rather than contributing to the restoration of public confidence in and enthusiasm for MPs and our political institutions, we will have the opposite effect. For that reason, I hope that we treat this matter with considerable caution.

10.10 am

John Mann (Bassetlaw) (Lab): I listened with some amazement to the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart) saying that we should be careful, because people will be put off lobbying. I assure him that the people of Bassetlaw do not require paid advisers to lobby their MP eloquently and effectively. We have a word for it—democracy. My problem and my constituents' problem is that access to MPs, and therefore access for my constituents, is squeezed and blocked by the number of paid lobbyists representing interests, gaining access preferentially and using their contacts, which stops the rest of us getting the access to the Government that we should be getting.

My hon. Friend the Member for Newport West (Paul Flynn) has used the term "incestuous". I think that a better term to use is "interchangeable", because we are becoming a Parliament of paid, professional lobbyists. The reason is that the political class, the advisers and the researchers are entirely interchangeable with the lobby industry—they are literally interchangeable. People spend a couple of years as an adviser, then a couple of years as a lobbyist, then they go back to being an adviser, then they go back to being a lobbyist and then they go into Parliament as an MP. That is the way into this place, although I will not embarrass the dozens and dozens and dozens of colleagues who have entered the House in that way.

Kwasi Kwarteng: What does the hon. Gentleman propose as a measure to stop that career development, because it is clear that many of our colleagues have followed the path that he has just described? Is he going to introduce legislation to stop that?

John Mann: The hon. Gentleman will want to listen to my speech. He may have a "career" in this House, but I have a vocation here, attempting to represent the interests of my constituents. That seems to me what being a Member of Parliament should be about.

Let me give an illustration of this interchangeability, or "incestuous relationship", as my hon. Friend the Member for Newport West has described it. We will go to the top and start with the Prime Minister, because of course the founder of Shandwick lobbyists was Lord Chadlington. Lord Chadlington was the Prime Minister's patron to get his parliamentary seat in Witney and, as was reported in *The Sunday Times* in 2007, he offered the Prime Minister his little farm and pool, in which the Prime Minister's family were invited to swim. Actually, he did a lot more than that, because the little farm is the same building that he gave the Prime Minister and that the Prime Minister used for the first six months that he was a Member of Parliament. And Lord Chadlington is a man who formed a lobbying company, which was eventually sold on to Huntsman—sorry, Huntsworth lobbyists. People can see that Huntsworth does not lobby me that often. *[Laughter.]*

Huntsworth has its tentacles across the world. One of its subsidiaries is called Quiller. The Minister will be smiling, because Quiller employs lots of people from lots of different political parties, including advisers. I have never heard of it myself, but apparently two of them were advisers to the Labour party; they were a Mr Smith and a Mr Slinger. I never came across them myself. There were also a Mr Alistair Murray, who advised the Liberal Democrat party, and a Mr Parkinson, a Ms Roycroft and a Mr Malcolm Morton, who were all aides to Conservative MPs. Indeed, the Minister will know Mr Malcolm Morton, because he was an adviser to the Minister. Saying that is not to criticise either the Minister or Mr Morton, but it demonstrates the interchangeability between the political world and the lobbying world. That preferential access is gained by personal contacts, which is what is fundamentally wrong with the current situation.

Thomas Docherty (Dunfermline and West Fife) (Lab): Would my hon. Friend also include those people who have worked for trade unions in this sphere, for example

people who have been the head of education and research for their union or people who were trade union liaison officers?

John Mann: No, I would not—*[Laughter.]*

John Robertson (in the Chair): Order.

John Mann: I would not include them, in the same way that I would not include small business owners in the same category. The issue is this—what access is gained to Parliament?

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): Double standards.

John Mann: The Minister says "double standards". That is what the Government are attempting to do; they are attempting to distract us from this issue, because of the Werrity scandal, and make us look at another issue. This issue has nothing to do with "standards"; it is to do with access. If a Minister's researchers and advisers become paid lobbyists, of course they have better contact and communication with that Minister, whether that is a Conservative Minister, Labour Minister or any other Minister. Of course that is the case and that is the problem.

The question, "What should be done about it?", is fundamental. Before I answer it, however, there is another aspect that we must consider. Let us take the case of Bell Pottinger and the Werrity scandal. In that case, the question that arises is about the international role of lobbyists, because what has not come out is information about the role that Bell Pottinger was playing in Sri Lanka. People have been distracted from that issue, not least because Lord Bell is doing quite a lot of the public relations to try to cover his tracks and what was going on, which was Bell Pottinger representing the Government of Sri Lanka. According to the Catholic bishop of Mannar, under that Government 146,000 people have disappeared without trace, including many members of his congregation, and Bell Pottinger is there in Sri Lanka representing the interests of that Government. That is why transparency is important, and that is why we need to know if Ministers are having meetings with the Sri Lankan Government that were set up by Mr Werrity or indeed by anyone else. What is going on? Bell Pottinger is being paid to facilitate such things on behalf of the Government of Sri Lanka.

I will conclude now because other Members wish to speak, but what we need are the following principles, which I will put to the Minister. The first principle is transparency. There must be absolute transparency in all the meetings that we have as politicians, and there is not. The lack of transparency is the fundamental weakness that exists, with people claiming that "private engagements" have happened. There should be no such thing as a "private engagement" for a Minister, and there should be very little of it for an MP. There should be transparency.

Secondly, where money and profit are involved, transparency is all the more urgently required and should be all the more available, because of the paying for access scandals that have bedevilled politics in this country.

The third principle relates to preferential access. There needs to be action on preferential access. How do we do that, because someone cannot stop their researcher from working for a lobbying company? It is a free world. However, there needs to be a recording of all ministerial meetings, and all MPs should be recording what lobbyists are attempting to do if they are successful in influencing them. Also, there should be a full ban on paid professional lobbyists having passes in order to access this place.

10.18 am

Robert Halfon (Harlow) (Con): It is a pleasure to serve under you today, Mr Robertson. I congratulate my hon. Friend the Member for Newport West (Paul Flynn)—

Paul Flynn: Comrade.

Robert Halfon: I congratulate my honourable comrade on the Public Administration Committee on his remarks today. Underneath all the rhetoric from all parties, there is quite a lot of overlap. Although we need to be transparent and open, we should not necessarily see all lobbying as a sort of great conspiracy. I declare my interests, as set out in the Register of Members' Financial Interests.

In my view, there are three kinds of lobbying. The first, which has already been described, is constituents writing to us or contacting us on a range of issues. The second involves charities and pressure groups. Many of those charities have huge budgets for public relations and public affairs. Many also have former special advisers working for them who know the Government inside-out, and therefore have what might be described as privileged access. The third kind is the traditional lobbying being highlighted today, which involves private firms, trade unions and big public sector agencies, and the public affairs firms that they hire.

I am proud that in my constituency we have a large bingo club with 40,000 members, and I was only too pleased when, a couple of weeks ago, the Bingo Association came to lobby me about various taxation issues. I cannot see anything wrong with that; it is a good thing, because I want to support my incredibly popular bingo club. We should not condemn all lobbying as sinister and retrograde, because some of it can be used to inform us. Tonight, I have an Adjournment debate on university technical colleges, and e-mails and letters that I have received from all kinds of interest groups have helped me to prepare for it.

Paul Flynn: It should be clear to my hon. Friend that that is not part of our concern. I have tweeted him about his 40,000 bingo club members, and commiserated with him on the fact that such is his constituents' despair over the future of the economy that they have all resorted to gambling.

Robert Halfon: My hon. Friend's wit has no bounds, which is why I enjoy sitting on the Select Committee with him so often.

I support groups and websites such as SpinWatch, the Alliance for Lobbying Transparency, the Sunlight Centre and Guido Fawkes, because the more openness and transparency the better, but this will be incredibly difficult. Let us say that there is a lobby company called Westminster Communications—I do not know if there is—*[Interruption.]* There is. Okay, let us call it

[Robert Halfon]

Westminster X. If we say that that company has to lobby, there is nothing to prevent it rebranding itself as Widget Strategies Ltd and describing itself as a management consultancy, as opposed to a political one. How do we then register all the businesses that come to see us? Do we have a blanket diary entry and register everything? It is not as easy as it looks.

The case of Adam Werritty has been briefly mentioned. I do not think that that was a lobbying scandal; it was to do with the relationship between special advisers and Ministers. Sometimes the boundaries of special advisers are unclear. Under the previous Government there were Lord Levy and Alastair Campbell, who became a semi-civil servant. There is a lot of confusion, and that is why the Adam Werritty thing needed to happen. The Government need to make the role of special advisers much clearer, including how many there should be and what their duties are.

I agree 100% with my hon. Friend the Member for Newport West—he is almost my hon. Friend—about the issue of revolving doors, or Ministers leaving Whitehall and getting jobs. We had an interesting Select Committee sitting with Ian Lang, whose committee—the Advisory Committee on Business Appointments—seems not to keep records of individuals whom it has advised not to take up Government jobs, or of individuals who have taken up jobs after leaving Government.

Mr MacShane: Will the hon. Gentleman accept from me that it is not so much ex-Ministers who get these jobs, but senior civil servants, who award massive contracts in their Departments and very shortly afterwards go to sit on the boards of some of the companies involved?

Robert Halfon: I agree with the right hon. Gentleman. There are scandalous cases of senior civil servants walking out of one door and in through another. I find it particularly outrageous that the Government spend millions of pounds hiring head-hunters and recruitment consultants, yet some of those recruitment consultants have former senior civil servants on board who worked in the human resources department and—surprise, surprise—the job is given to that head-hunting agency. There is no difference between head-hunting agencies raking it in from the taxpayer, and being hired by the Government to carry out some of the activities that my hon. Friend the Member for Newport West described.

I regret that the previous Government did not do more. I was not around at the time, but a report by the Public Administration Committee urged the Government to compile a register on lobbying. However, the Government never failed to miss an opportunity to miss an opportunity. It is rich of many Opposition Members to start to have a go at the Government now, when they had so many years to get this right and did nothing.

I welcome the Prime Minister's confirmation that he will go further and bring in a proper register of lobbyists, including of organisations such as think-tanks and trade unions, which are politically active and part of the lobbying landscape. The hon. Member for Bassetlaw (John Mann) condemned people who work as special advisers and then become MPs. I was one of those dreaded people. My work as a political consultant and as a special adviser helped to prepare me for Parliament. The hon. Gentleman would not criticise a lawyer who had spent all his life learning law before becoming a judge.

John Mann: The hon. Gentleman is wrong. The concept, and the word, is not "condemned"; it is about pointing to the danger of interchangeability. It is not about condemning individuals for what they do.

Robert Halfon: I agree with the hon. Gentleman, and the answer is that there must be openness and transparency, but it is not so terrible if a businessman hires someone who has worked in Government or for the Opposition because they understand what has been going on.

We must be more careful and much tougher with quangos—paid for by the taxpayer—that hire paid lobbyists to lobby the taxpayer for more money. Figures show that the Ordnance Survey and the Audit Commission spent more than £600,000 on lobbyists in 2009. Transparency and openness are key; all the problems will go away if everyone is clear about what is happening, and about which lobby groups are lobbying which Ministers and MPs, but there will be a difficulty with the definition.

10.27 am

Chris Bryant (Rhondda) (Lab): I warmly congratulate the comrades, my hon. Friend the Member for Newport West (Paul Flynn), and the hon. Member for Harlow (Robert Halfon). It is an unusual alliance; perhaps they met around the sides of politics, from the ends of the Back Benches. I completely agree about transparency; it is key. Several Members have referred to the fact that the Secretary of State for Communities and Local Government has said that he was eating in a private capacity, not a ministerial one. I suspect that he might, on occasion, have eaten in both capacities on the same evening and that, like a cow, he has more than one stomach, and is therefore able to ruminate on behalf of several people.

Robert Halfon: On a point of order, Mr Robertson. That seems to be a case of fatism. Is that not inappropriate?

John Robertson (in the Chair): That is not a point of order.

Chris Bryant: We need to remember that, in essence, we politicians are all lobbyists. We go through lobbies and try to advocate causes, and nearly every one of us—if not all of us—was in one shape or form a lobbyist before we came into Parliament. For example, my hon. Friend the Member for Bassetlaw (John Mann) campaigned for workers' rights when he was working for a trade union; I, as a vicar, argued that my local authority was not doing the right thing by local youth services; others have campaigned for better policing, and so on. We are by nature lobbyists—advocates—trying to persuade people of a better cause. For a couple of years I was a paid lobbyist for the BBC, doing its lobbying in Brussels. I am proud of that work, because at the time Rupert Murdoch was saying that the BBC licence fee was illegal state aid, and that the BBC should be closed down. I am delighted that we won that battle in Brussels, and I believe that it is perfectly possible to be an entirely honourable lobbyist.

I remember when the Mental Health Bill was going through the House in 2007. As a Back-Bench member of the Bill Committee, I knew remarkably little about mental health and the specifics of legislation. If it had not been for a wide range of people who lobbied me and argued about elements of the Bill, I would not have been able to make as effective a contribution. In the end, I tabled the amendment that became the following provision in the Act:

> "In this Act, references to appropriate medical treatment, in relation to a person suffering from mental disorder, are references to medical treatment which is appropriate in his case, taking into account the nature and degree of the mental disorder and all other circumstances of his case."

To the ordinary eye—and, I suggest, to most MPs, unless they have a background in mental health—that seems a perfectly innocuous statement of what should be the case, but every single word of that provision was fiercely battled over, and rightly so, because of its effect on people who might be sectioned. It was not just mental health charities such as Mind and others that lobbied and provided advice; it was also pharmaceutical companies. If there is a list of evil people in the country, it starts with journalists, then politicians, and then lobbyists, and way at the far end are lobbyists for pharmaceutical companies, but my experience in that situation was that they provided invaluable advice. In the end, it was for me to decide the rights and wrongs and how I could best serve my constituents, but if people had not had such access to me, it would have been impossible for me to do a proper job.

Paul Flynn: The main opposition to any reform comes from those who wish to muddy the issue and suggest that we wish to hamstring some worthy body. The Prime Minister has given the definition of "secret corporate lobbying"; we should realise that that is the subject of this debate and the area in which reforms are long overdue.

Chris Bryant: My hon. Friend misunderstands me, I suspect. I do not seek to muddy reform; I want reform. I want a register, and I will suggest a couple of other things as well, but I think that we must be absolutely honest, and part of that involves honesty about the important role that good lobbying can play in the political process, particularly for Opposition Members. Ministers have a host of civil servants who can produce briefings and so on; Opposition Members simply do not have access to that much support. Often it is provided by organisations. If at any point a Member succumbs so completely to the blandishments of some organisation that they effectively become its subsidiary, they stop being a good parliamentary Member and constituency representative. That is the line that I want to draw.

We should also bear in mind that lobbying is a British tradition. It is because there was a lobby outside St Stephen's chapel that the whole system arose. I remember clearly that when Paris lost its bid for the 2012 Olympics, Delanoë complained that the British had engaged in lobbying. I saw all too often in Brussels that although Britain was good at advocating its case, other countries were not, because they simply did not understand how to go about it properly.

Some industries are particularly lobbyacious—and, *Hansard* reporters, that is a word, because I have created it. Broadcasting is particularly lobbyacious, because so many elements of its work are determined by legislation. We must take special care to ensure a level playing field for everybody.

There are enormous problems, many of which have been referred to, including corrupt lobbying: offers of financial inducements, nice holidays, easy trips and so on. Some methods are directly corrupt and illegal, and the House should deal ferociously with Members who abuse in that direction. Sometimes Members would be best advised not to go to the meal or engage. The rules applying to this House are much stronger than those that apply to the other House. If one wanted to engage in dodgy lobbying, one would be far better advised to do so through the House of Lords—the House of patronage—rather than through the House of Commons. That is another reason why I support reforming the House of Lords to make it an elected second Chamber.

Another way in which it is probably much easier to do a dodgy deal is with civil servants rather than elected Members. There is far less openness; often even the names of people who make important decisions on tenders are not known to the public. Some countries have purposely selected individual Members of both Houses as being more pliable and biddable than others, and have enabled long-term relationships with them. Those relationships need close scrutiny.

What counts as a lobbyist is also a problem. I do not mean to say that we should not have a register; it is one reason why we should. The Prime Minister was a lobbyist before he came into Parliament, and most journalists advocate most of the time in one way or another, especially those with opinion columns. When my constituents set up an organisation to oppose the closure of the Treherbert baths or protect the minor injuries unit at Llwynypia, they are lobbyists. My hon. Friend the Member for Bassetlaw is absolutely right. If their space to lobby me were crowded out, I would be failing utterly in my job. Every single diplomat who works for the Foreign Office is also, in essence, a lobbyist. I often feel that they are sent abroad to eat for their country. It is important to recognise the advocacy role of what we do.

The first key thing is that there should be no paid advocacy. That is a rule of this House, but it is more honoured in the breach than in the observance. We need absolute transparency about funding and who is engaged in lobbying, and particularly about who meets any Minister or civil servant engaged in making key decisions.

Thomas Docherty: On the point about influence, does my hon. Friend think that that should apply to Select Committee Chairmen, who have a lot of influence over policy?

Chris Bryant: That is a good point. Members of Select Committees that publish influential reports are often targeted by lobbying organisations. It would be no bad thing if each Select Committee had an open register of lobbying meetings held.

Passes to this place are a problem. When I worked in Brussels, getting a pass to enter the European Parliament on legitimate business was a simple, straightforward and open process. Here, it is clandestine. Lots of people end up finding an hon. Member who is prepared to give them one of their three passes. We should have a complete review of the system. Of course we must

[Chris Bryant]

ensure security in this building, but everybody should have equal access. I would prefer to open the doors than keep them closed so that only some people have enhanced access. Nobody should have enhanced access due to big bucks or cronyism. That last element is difficult to control. I look forward to legislation introducing a register soon. I am not naive about the difficulties of determining what a lobbyist is, but it is essential that we clean up the industry.

John Robertson (in the Chair): I said that I would call the Front-Bench spokesmen at 20 minutes to 11, but I will give a few minutes to another speaker, as that is only fair.

10.39 am

George Eustice (Camborne and Redruth) (Con): I will be as brief as possible.

I worked in the public affairs industry for a year in 2009, but for a company signed up to the Association of Professional Political Consultants, which adheres strongly to transparency. There is a danger of exaggerating such people's influence. Hon. Members returning after this debate should look in their recycling bins to see how much power the people that we are fretting about actually have. The truth is that we are inundated with lobbying all the time, and we throw away most of it. At the end of the day, it is down to our judgment whether we believe these people. As MPs, we are approached by companies or pressure groups that often smack of commercial interest and we can spot it a mile off. We might also get people who do not articulate their case very well, but we are the ones who can judge that and give them a voice when they may not have one.

I agree that there is a need to improve transparency, and particularly a need for a register of lobbyists. They should be required to list their clients and disclose whether anyone who works for them has had a previous Government role. However, I am nervous about going down the route of disclosing every meeting with people who are trying to lobby us, because it suggests that we base our opinions on the number of people who have lobbied us about something, rather than exercise judgment, which is what we actually do.

My final concern about publishing the details of such meetings relates to an unintended consequence whereby people say, "You met that group, so why can't you meet us? You've met the People's Front of Judaea, but what about the Judaean People's Front?" It is difficult enough for Ministers to balance their work load. Do we really want to create a situation whereby organisations start to feel that they almost have an entitlement to meet Ministers on the basis that they have met somebody else?

John Robertson (in the Chair): I thank the hon. Gentleman for his brevity.

10.41 am

Mr Wayne David (Caerphilly) (Lab): I congratulate my hon. Friend the Member for Newport West (Paul Flynn) on securing the debate, which has been a good one. He is a doughty campaigner and several important issues have been raised. Among the many important issues raised by the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart) was that of unintended consequences. My hon. Friend the Member for Bassetlaw (John Mann) stressed the importance of the principle of transparency. The hon. Member for Harlow (Robert Halfon) made the point that there is a great deal of common ground between politicians in the House, and I shall revert to that. My hon. Friend the Member for Rhondda (Chris Bryant) pointed out that lobbyists fulfil a useful role and that it is the question of regulation that concerns us. I also thank him for introducing us to a word with which I was not familiar—"lobbyacious." Finally, we heard, briefly but pithily, from the hon. Member for Camborne and Redruth (George Eustice), who underlined the complexity of the subject and warned us to be careful not to introduce unintended consequences.

I hope that Members agree that we should all do our best to establish a genuine consensus in the House on how best to register lobbying activity. It is well worth remembering that how best to regulate lobbyists featured in the manifestos of all three main British political parties during the general election campaign. The Labour party stated:

> "We will create a Statutory Register of Lobbyists to ensure complete transparency in their activities."

The Liberal Democrat manifesto stated that the improper influence of lobbyists should be curbed by

> "introducing a statutory register of lobbyists".

Indeed, the Conservative manifesto said:

> "We will regulate lobbying through introducing a statutory register of lobbyists and ensuring greater transparency."

The coalition agreement also has a commitment to a statutory register.

I hope that the Minister will indicate when the long-waited consultation paper will see the light of day. I read with interest his interview in the current *House* magazine, and it was rather unfair of it to refer to him as "Nick Clegg's babysitter". [Hon. Members: "Aah."] I am glad that hon. Members agree that that is a rather unfair description. I dare say that some would prefer to describe the Minister as "David Cameron's handmaiden."

In that interview, the Minister alluded to several other constitutional issues, which mean that the register of lobbyists has slipped from the Deputy Prime Minister's initial target of later this year. I sincerely hope that the Minister's work load will not prevent him from keeping his promise of at least a consultation document in the next few weeks. If he could provide us with a publication date today, that would be most helpful.

When that consultation document is published, I hope that there will be a widespread debate and that the Government will listen carefully to the views expressed by all.

Robert Halfon: Although the hon. Gentleman rightly urges the Government to take action on this and for us to fulfil our election manifesto commitment, does he not regret that his own party did not follow through the recommendations of the 2009 report of the Public Administration Committee?

Mr David: If the hon. Gentleman will bear with me, I will address that point in a moment.

It is important for the Government to learn from the unfortunate episodes that we have witnessed in this House in recent times. I also urge them to study carefully the experiences of other legislatures, particularly in Australia and Canada. There is no easy formula or one-size-fits-all approach—nothing can be taken off the shelf—but we can learn from what has happened in other countries.

I would like to make a few suggestions about the principles that I believe should underpin any future statutory register of lobbyists. Building on the cornerstone of transparency, to which several Members referred, the Public Administration Committee stated in its 2009 report that information in a statutory register must include

"the names of the individuals carrying out lobbying activity and of any organisation employing or hiring them, whether a consultancy, law firm, corporation or campaigning organisation."

Secondly, it stated that the information should include,

"in the case of multi-client consultancies, the names of their clients."

Thirdly, it recommended the inclusion of

"information about any public office previously held by an individual lobbyist—essentially, excerpts from their career history."

Fourthly, the report said that there should be

"a list of the interests of decision makers within the public service (Ministers, senior civil servants and senior public servants) and summaries of their career histories outside the public service".

Fifthly, it stated that there should be

"information about contacts between lobbyists and decision makers—essentially, diary records and minutes of meetings. The aim would be to cover all meetings and conversations between decision makers and outside interests."

Those five points are a good starting point. Some will suggest that they do not go far enough, while others will say that they go too far. They are, however, a useful point at which to begin our discourse. As the hon. Member for Harlow suggested, some may wonder why the report was not implemented when Labour was in government. I shall pre-empt that argument by saying that, while it is true that Labour did not take up the Committee's call for a statutory register, it nevertheless indicated in January 2010 that, if a voluntary system proved ineffectual, it would be necessary to go further. I suggest that the time has indeed come for us to go further.

There is a danger that our approach to this admittedly complex and difficult area could end up being too broad and general. We must also be mindful of unintended consequences, as a number of Members have said. We are all advocates and ambassadors for our constituents, and many of us support a wide range of organisations that do not fit the widely accepted definition of a lobbying organisation. We must be careful that we take that into account when we define which bodies and individuals should be included in a statutory register of lobbying interests.

Finally, a register of lobbyists will not wholly solve the problem of the exercise of inappropriate influence. Let us not forget that the friend of the right hon. Member for North Somerset (Dr Fox), Mr Adam Werritty, was not a lobbyist as such. If anything, that episode clearly demonstrates that it is necessary for us to have in place a number of safeguards that are vigorously enforced. A statutory register of lobbyists, however, would be a vital element in ensuring that faith is restored once again in our parliamentary democracy.

10.49 am

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): It is a great pleasure to serve under your chairmanship, Mr Robertson. I congratulate the hon. Member for Newport West (Paul Flynn) on securing the debate, which has largely been helpful and balanced.

The contribution of the hon. Member for Rhondda (Chris Bryant) was useful because it put into context the fact that lobbying can be very helpful and that it enables Members of Parliament to be better informed. He gave the example of the Mental Health Bill. I had the same experience in opposition, when I worked with many disability organisations and charities. In opposition, some of the assistance and resources of lobbyists are needed to help the argument and ensure that legislation is framed properly and that well-informed questions can be asked. The problem occurs when those types of contacts are not transparent. The right hon. Member for Oxford East (Mr Smith) and my hon. Friend the Member for Harlow (Robert Halfon) made that point. The issue is transparency.

I will say this from the start as it may pre-empt some interventions: we are committed to introducing a statutory register. We will publish our proposals for consultation before the end of this month, and then I hope we can engage in that debate. Several hon. Members have alluded to that matter. The reason we are publishing our proposals for consultation is very simple: we want to get it right. We need to get the definition of who would be captured by the term lobbyist correct. We must not stifle legitimate lobbying or the ability of our constituents and other people to talk to us or Ministers, but we need to ensure that the relevant information is out in the open. We must deal with the issue correctly, so we will publish our proposals and have a thorough consultation on which everybody—Members and those outside—can have their say. We can then ensure that we strike the right balance.

Mark Durkan (Foyle) (SDLP): Is there not an element of "There's a hole in the bucket, dear Liza" in all this? As the Minister says, when the proposals are published, there will be consultation and debate. No doubt that will involve a considerable degree of lobbying. What will be his attitude to the lobbying approaches he receives as Minister during that consultation period?

Mr Harper: Let me come on to that at in a moment because I want to set out my thoughts logically.

I thank the hon. Member for Caerphilly (Mr David) for his relatively consensual approach because it is important that we get dealing with the issue right. The subject affects all parties, and all parties have lessons to learn. We need to ensure that we approach the issue on that basis. He struck the right note, but to encourage other Labour Members also to take such an approach, I will remind them of what they did or did not do in Government. An amendment tabled by the Liberal Democrats on having more transparency on lobbying was mentioned. Every single Labour MP here who was in the House at the time happily voted against that. The hon. Member for Newport West clearly paid very little attention to the new clause when he voted against it because if he had read it, it sounds as though he would have agreed with most of it.

Chris Bryant: What was it?

Mr Harper: It was new clause 76 to the Companies Bill 2006, which was debated on 18 October 2006. Yes, the hon. Gentleman voted against it, as, indeed, did the hon. Member for Newport West.

Paul Flynn: The Minister has eight minutes to build some kind of consensual approach to the subject, instead of which he is involving himself in petty political point scoring. Can he tell us how often he has been lobbied about the lobbying reforms since he has become a Minister and will he have talks with the Opposition to ensure that we have a consensual approach? Such an approach will possibly take us into the next Government, which is when many of us think these reforms will take place.

Mr Harper: I would have slightly longer to respond if the hon. Gentleman had not interrupted me. I was coming on to his point and was trying to deal with the questions he raised in his speech.

On the hon. Gentleman's comment, the Government have made a lot of progress on transparency. We publish all the meetings that Ministers have with external organisations. If he had troubled to look at the written answers I have given—and, indeed, my meetings—he would see that I have had one meeting with the independent chairman of the UK Public Affairs Council on the subject. I have had no meetings to discuss the issue with lobbying companies and no meetings with anti-lobbying companies either. We will publish a comprehensive consultation, so that everybody can have their say.

That information on meetings has been published. If the hon. Gentleman had looked for it before the debate, he would have seen it. The details are available on data.gov.uk for the benefit of hon. Members. We also publish hospitality and gifts received by Ministers and special advisers, details of Ministers' overseas visits, details of permanent secretaries' meetings and Government procurement information so that we can see what the Government are spending and lots of other information.

The meetings that Ministers in the Department for Education hold are a very good example of departmental meetings. The sorts of people to whom they talk are not surprising. The most frequent meetings are with the National Society for the Prevention of Cruelty to Children, Barnardo's and the National Children's Bureau. Those are the sorts of people one would expect Ministers in that Department to meet, so that they can talk about serious and important issues. Transparency is very welcome.

The previous Government did not make progress on the matter. Just before the election, they committed to a statutory register in response to the events that took place in March 2010. At that time, several former Ministers were accused of behaviour that, following the report of the Select Committee on Standards and Privileges, led to their being banned from the House for a significant period. I only say that to calm down some Labour Members who get rather paranoid about the speed with which the Government are working. As I have said, we will publish the consultation paper this month and we will make progress. The previous Government did not do that during the 13 years they were in office, so can we just have a bit of calm? I am very happy to work with the hon. Member for Caerphilly who speaks for the Opposition on a consensual basis.

Mr David: I simply make the point that we have an ideal opportunity to make progress now because there is a genuine political consensus. I therefore urge the Government to be constructive.

Mr Harper: Yes, and I am very pleased to do so.

The hon. Member for Newport West also referred to Ministers who take up roles on leaving office. My right hon. Friend the Prime Minister strengthened the guidelines on that in the ministerial code he published last year. Ministers must seek the advice of the Advisory Committee on Business Appointments and they must abide by it. That was not previously the case. Ministers had to get the advice, but they did not have to abide by it. In addition, for the first time, my right hon. Friend introduced a ministerial code that bans former Ministers from lobbying for two years after leaving office. So, they are absolutely not allowed to go straight out of office, get a job and start lobbying the Government again. That is a very helpful step forward.

Robert Halfon: I welcome my hon. Friend's remarks about the advisory committee, but does he not think it would be better if it published its recommendations for everybody to see? We could then see which Ministers had followed the advice and who had not.

Mr Harper: I listened very carefully to what my hon. Friend said about the inquiry that the Public Administration Committee is undertaking at the moment and the evidence it has heard. Clearly, when it publishes its report, the Government will look very carefully at its recommendations and respond in due course. I look forward to the Committee's report.

Thomas Docherty: The Minister referred to the website data.gov.uk. I have just had a chance to go on that website and can see that the Cabinet Office information has not been updated since December 2010. Does he think that that is transparent?

Mr Harper: My understanding is that all the meetings up to the end of April this year have been published. However, I will check up on the matter. It was my understanding because that information has been provided.

On the point the hon. Member for Bassetlaw (John Mann) made, even some of his colleagues—I will not embarrass them by pointing them out—thought that his line about trade unions not being encompassed by the transparency rules is unsustainable. Given the fact that the party he represents gets 85% of its donations from trade unions and a quarter of its donations from a single trade union, I am afraid that his argument is simply not defensible.

John Mann: I have not put that argument. Lobbyists are lobbyists and trade union lobbyists are lobbyists. However, every trade union member and trade union official is not a lobbyist. A lobbyist is a lobbyist. I, for one, have never been one.

Mr Harper: But every trade union official who seeks to influence Members and Ministers is engaged in lobbying, and they should be covered by the transparency rules just like everyone else. They have nothing to hide and it is important that the hon. Gentleman recognises that as, to be fair, I think several Labour Members do.

There will be some challenges about definitions and what we encompass in our consultation. That is why we want to listen and ensure that people can make a case and approach Members of Parliament, and that there is nothing untoward going on. We need to ensure that there is transparency, that people know what is going on, that Members of Parliament and Ministers are using their judgment about the arguments when they are making decisions and that people are not getting privileged access.

Transparency is a good thing. We will introduce our proposals this month and listen to what people have to say. I am very happy to have a dialogue with the hon. Member for Caerphilly to try to reach a consensual approach between the parties because the position will then be much clearer. The hon. Member for Newport West made a valid point that we need our constituents to have much more confidence in the system. I hope that we can reduce the chances of abuse and problems occurring in future.

Living Standards (Telford)

11 am

David Wright (Telford) (Lab): It is a great pleasure to see you in the Chair, Mr Robertson, on a fine morning in Westminster. Having said that it is a fine morning in Westminster, it is a difficult time for families in Telford, who are struggling with higher food prices and energy bills, and who are worried about their jobs and their children's futures. People in Telford are experiencing a significant squeeze on their living standards as a result of the global economic crisis and the deficit reduction strategy being pursued by the coalition Government. The global financial crisis has hit every country. The downturn was not created in Britain; it was caused by the irresponsible actions of the banks, which pushed up deficits in every major country. Every country, therefore, faces the challenge of getting its deficit down. The question is how quickly that should be done, and how to ensure that economic recovery is not choked off, which would make things worse.

I will return to that theme later, but I want to focus specifically on Telford and the situation that my constituents find themselves in. There is a very worrying trend in the number of people out of work and claiming jobseeker's allowance in Telford. As of September this year, 2,929 are in that position. That is an 85.1% increase on the same period in 2006, with a 6% rise since last year. Some 345 people have been claiming for 12 months or more; that is 5% of 16 to 64-year-olds, and 6.6% of the economically active population. More than 1,000 people aged 24 and under claimed jobseeker's allowance in September. A third of the total number of people unemployed are young people. More than three people—3.4 people, in fact—are chasing every vacancy that is notified to Jobcentre Plus. The actual figure is probably higher than that, as companies tell me that they get hundreds of applications for every job that they advertise. I visit companies in my constituency, and they always get a flood of applications when they advertise a post.

Telford has a large number of public sector jobs, and some of the biggest private sector employers are reliant on public sector contracts. Uncertainty over job cuts and low growth in the economy generally—in fact, a virtual flatlining of growth—has left people worried about their future. In turn, that has a number of consequences, such as a sapping of confidence in the local housing market. A report published yesterday by the Home Builders Federation shows that in 2000, house prices in Telford and Wrekin stood at 3.41 times average earnings. In 2010, that had risen to 6.1 times average earnings. Lower-quartile house prices—the properties most likely to be bought by first-time buyers—have risen from £42,750 in 2000 to £107,500 in 2010. People are struggling to secure mortgages, and entry into the market is very difficult for first-time buyers. There is a burgeoning private rental market in Telford. Every week, when I pick up the *Telford Journal*, there are significant numbers of properties up for private rent—a clear sign that the sales sector of the local housing market is struggling, and that there is a lack of confidence.

That is the backdrop to an intense squeeze on living standards for those who are in work. We all know that inflation is high, with the retail prices index at 5.6%—the

[David Wright]

highest annual rate since 1991. The Government seem to be largely ignoring that fact. They are keen to downplay the importance of inflation in the economic landscape, like someone who thinks that if they cover their eyes the problem will just go away. For those on low and fixed incomes, including pensioners, inflation is a hammer blow, particularly when interest rates on savings are not keeping pace with inflation. Meanwhile, wages are being squeezed. Indeed, the Governor of the Bank of England has said that real wages this year are likely to be no higher than they were in 2005. This is the first time since the 1920s that wages have fallen over a six-year period.

Food prices are on the rise, and the big six energy companies have announced sharp rises in prices. Families now face average bills of more than £1,200 a year for gas and electricity. Across the west midlands, approximately one household in four lives in fuel poverty, spending more than 10% of its income on fuel costs. I regularly see constituents in Telford who complain bitterly about fuel prices. Households in poor-quality housing face even higher energy costs. We need a major review of how the energy market operates, and we need to bring greater competition into the market. Privatisation effectively created a six-company cartel for energy, with the big providers dominating the scene. We need to diversify that market if we can, or at least do what the Prime Minister suggested—I support him on this—and ensure better information on bills, so that people can compare prices against those of other providers. That is crucial. We need energy companies to invest more, and to try to bring down prices.

I mentioned the number of young people claiming JSA in Telford. The next generation has seen the future jobs fund and the education maintenance allowance scrapped. Alongside that, two thirds of universities plan to charge the new £9,000 tuition fee, and average fees will be more than £8,000. Clearly, the situation is very difficult for young people who are looking to get into employment, training or education. We need a massive drive to get young people into education, training or work. Our activity needs to be focused on the needs of young people in towns such as Telford.

Mark Pritchard (The Wrekin) (Con): Does the hon. Gentleman accept that one of the ways that standards of living can be improved for the constituents of Telford and The Wrekin is by ensuring that public finances are managed well, both nationally and locally? Given that Telford and Wrekin borough council has a new Labour administration, does he support my call for a council tax freeze in the coming years to help those who are struggling to make ends meet?

David Wright: Clearly, the council will have to look at its budget very carefully. It will have a number of pressures in the next year or so. We will have to consider the Government's funding proposals for the local authority. Clearly, the council will look at its budget-setting. Its difficulty is that massive cuts are in place, and they are affecting the poorest people in our community. The answer to the hon. Gentleman is that we will have to wait and see. At the moment, I do not know what the council's position will be on council tax.

On household incomes, the Government's decisions on VAT rub salt in the wounds of every family in Telford. The latest report from the Office for National Statistics states:

> "The poorest fifth of households in the UK spent a higher proportion of their expenditure on goods and services that attracted Value Added Tax (VAT) in 2009/10 than in 1986...Poorer households in 1986 spent a smaller proportion of their expenditure, than poorer households in 2009/10, on discretionary items which attracted VAT...the data shows the poorest fifth of households in the UK pay more in VAT as a percentage of their disposable income than the richest fifth."

VAT is hitting the poorest people in our community the most. We need a quick rethink on our VAT strategy. We need to ensure that we support households that find it very difficult to make ends meet.

I mentioned pensioners earlier, and I wanted to say that many of them in Telford tell me how important the winter fuel allowance and free local bus travel are. The yearly tax-free payment to help people pay for their heating in winter was worth £250 for over-60s and £400 for over-80s. I was extremely disappointed that the coalition decided that the payment will revert to £200 and £300 for the two age groups in the winter of 2011-12. I urge the Government to think again in their pre-Budget report.

I do not claim that Telford has problems that have emerged only in the past 18 months—frankly, that would be ridiculous. Telford and Wrekin has higher than average levels of multiple deprivation, especially in wards in the south of the town, and we have a significant number of children living in poverty. The End Child Poverty campaign group, which fights to give poor families a voice, estimates that 30% of children in the Telford constituency were living in poverty in mid-2010, compared with 23.1% in England as a whole; in some wards, the figure was approaching more than double that. Children are classified as being in poverty if they live in families in receipt of out-of-work benefits, or in receipt of in-work tax credits, and with a reported income of less than 60% of median income. Telford and Wrekin's NHS trust states that 9,305 children are living in poverty in the borough.

Those problems have no quick fix. I am proud of the work of the previous Government, who introduced tax credits and a range of benefits to support children. Sure Start children's centres have been a major success in the town, and the Building Schools for the Future programme promised the opportunity for every child to enjoy state-of-the-art learning facilities. Locally, that policy was supported on both sides of the council chamber, I am pleased to say, but we must still do more to support families.

People in Telford regularly raise the issue of the cost of child care and the continuing inflexibility of the labour market, and we need to do much more work on those policy areas, but the key to improving living standards in the town is to secure growth in the economy and attract more high-paid work. That approach helps people who are struggling and who are having their living standards squeezed, and supports business.

Immediate action should include the following five points—they will not come as too much of a surprise to you, Mr Robertson. First, a £2 billion tax on bank bonuses could fund 100,000 jobs for young people and build 25,000 affordable homes. Secondly, long-term

investment projects, such as new school buildings, should be brought forward—we have done well in Telford with that kind of approach. Thirdly, the VAT rise should be temporarily reversed, which would give a £450 boost for families with children. Fourthly, there ought to be a one-year cut in VAT to 5% on home improvements and repairs, to help small businesses. Fifthly, there ought to be a tax break for every small firm that takes on extra workers. In short, in Telford we need Labour's five-point plan for growth.

11.12 am

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): I commend the hon. Member for Telford (David Wright) on securing this debate, which I am sure is important for his constituents. He covered a wide range of issues, and I hope that I can set out some of the action that the Government are taking. I absolutely understand his concern about the challenges that families face. I am sure that he welcomes the swift action that the Government have taken to address many of those underlying concerns. As my hon. Friend the Member for The Wrekin (Mark Pritchard) said, if we are to provide the long-term stability that families need, the first thing that we must do is secure the public finances. The truth is that the Government inherited from Labour—the party that the hon. Member for Telford represents—the largest public budget deficit in peacetime history: it was some £156 billion, which is more than the deficit in many other developed countries, and it accounts for around 11% of our country's annual income.

Mark Pritchard: The hon. Member for Telford (David Wright) set out five points for growth, but he could have had a sixth point: stop taxpayers' money being used to fund unions in local authorities. Most people in Telford and Wrekin would rather see their taxpayers' money spent on a weekly bin collection than on full-time union officials who will possibly campaign in local elections.

Maria Miller: My hon. Friend makes an important point. Councils have a real challenge in ensuring that they are using their money most efficiently. An important recent report by Scope showed a huge divergence in how councils are approaching their budget challenges. By making decisions on what is most important for our constituents and local residents, we can ensure that the money goes where it is needed most. I have great sympathy for his point about weekly bin collections. Ensuring that public finances are secure is at the heart of what our Government are all about.

Let me set out for the constituents of the hon. Member for Telford some practical ways in which the Government are taking account of the pressure on families' finances. The cut in fuel duty made by the coalition counters some of the measures of the previous Administration. Rather than recognising the problems faced by families, the previous Government put this country on an ever-increasing fuel duty escalator, creating some of the problems that we are dealing with. Rather than continuing on that escalator, the Government decided not to implement Labour's planned increase of 5p per litre in April this year and, in the Budget, announced a further 1p cut as well, recognising the real challenges faced by families.

The other important issue that the Government have taken into account is the real financial problem that council tax causes families. A council tax freeze recognises the financial challenges that the hon. Gentleman rightly outlined. Our measures recognise those challenges and try to help families to make ends meet in these difficult times.

As a Minister in the Department for Work and Pensions, I very much feel that employment is the way out for many of the hon. Gentleman's constituents, and would enable them to achieve the standard of living that I know he wants them to enjoy.

Gavin Williamson (South Staffordshire) (Con): Does the Minister agree that the fantastic recent news that Jaguar Land Rover has decided to invest in my constituency will create an awful lot of employment, and not only in South Staffordshire? It will benefit many people working in the supply chain industry in Telford and across the region.

Maria Miller: I thank my hon. Friend for mentioning that very real example of how British industry—indeed, the manufacturing sector—is benefiting from the stability that the Government have achieved by getting our public finances in order and ensuring that people feel that it is right to continue to invest in our country. It is not only large employers, such as the one that he cited, but smaller employers who look to the Government to ensure that Britain is a great place to do business. The work undertaken by our colleagues in the Department for Business, Innovation and Skills shows the Government's commitment to the issue.

We are improving support for new businesses with a 40,000-strong network of experienced business mentors. We are working to strip away regulations, and we are cutting corporate taxes. We will bring the headline rate down to 23% by 2014, making this country one of the most attractive places to set up a new business. We are giving micro-businesses a three-year exemption from all new domestic regulations from April 2011, and we are helping small and medium-sized enterprises to create new jobs by investing £180 million in 250,000 new apprentices. Those are the sorts of practical ways in which the Government are supporting the constituents of the hon. Member for Telford, so that they are not, as perhaps happened under the previous Government, consigned to unemployment, but given the opportunity to get into work.

If we look at the unemployment figures for Telford from 2008 to 2010, the sad truth is that the rate nearly doubled. Even more tragically, under the previous Administration, the number of young people who sought jobseeker's allowance increased from a little more than 500 to more than 900. At a time when the economy was growing, the previous Administration did not do enough to help individuals get into work, and the recession has made a difficult situation worse for the hon. Gentleman's constituents. That is why my Department has been looking at a wide-ranging set of reforms. The universal credit will ensure that work will pay, and the Work programme will ensure bespoke and individual support to get people into work in long-term, sustainable jobs. That practical support will give his constituents the sort of job that will secure them the standard of living that he is fighting for them to enjoy. I hope that he will

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support the introduction of the universal credit and the Work programme, which will benefit his constituents in the way that I outlined.

As the Minister with responsibility for disabled people, I note the challenges that many of the hon. Gentleman's disabled constituents will face, so the Department has been looking very carefully at how we can support and help disabled people into not just short-term but long-term employment, and help them to retain jobs that they may already have. I was pleased to note that Remploy Employment Services has supported almost 200 individuals in the past year in the hon. Gentleman's area. It has helped individuals with disabilities or in challenging circumstances to get into work, and throughout the Shropshire area it has helped more than 500 people to get into employment. That practical help will really make a difference to the residents of Telford. That success story applies to the broader employment market as well.

Telford jobcentre has around 1,000 new vacancies every month. I hope that the individuals whom the hon. Gentleman represents will be able to get skills under their belt through the Work programme and take advantage of that job market. No one is saying that it is easy or straightforward. It is a challenge, particularly in an area that has had a great history of industry that has evolved and changed. I speak with a little knowledge, having been born and brought up not far away. The communities face real challenges. However, through the Work programme and the support that we can give people to get the right sort of apprenticeship training, we can help many of the hon. Gentleman's constituents. Perhaps they have felt that they did not have the relevant support to get into employment before, but we will provide support to help them get the sort of jobs that will give them the standard of living that I know the hon. Gentleman wants them to be able to enjoy.

I share the hon. Gentleman's concern about fuel prices and the challenges that families face, but I hope that he is reassured by my earlier comments on the actions that the Government have taken, particularly around fuel duty, to ease the burden on motorists. We know that the challenge goes further than that, and that the problem falls particularly on our older constituents. We have therefore prioritised the importance of the winter fuel payment, which will be £200 for those born before 5 January 1951, and £300 for those aged 80 and over. Indeed, we have gone further than the previous Government by permanently increasing the cold weather payment, which is a very targeted way of getting support to vulnerable constituents, about whom I know he will be concerned when he is talking about fuel duty. We are increasing that payment from £8.50 to £25. Again, in a practical way, we are recognising the challenges facing families, and particularly the most vulnerable in our communities. I hope that I have been able to draw together the issues that we are putting in place to help the hon. Gentleman's constituents.

It is interesting that the hon. Gentleman brought up the issue of VAT. There is nothing fair about the deficit that the Government and the people of Britain inherited from the Labour Administration. It is not fair that so many families were trapped in a cycle of dependency. Our decisive dealing with the deficit has ensured that those with the broadest shoulders bear the greatest burdens and support the most vulnerable and those facing the biggest challenges in society. We have made sure that those on the highest incomes contribute more towards the entire fiscal consolidation, not only in cash terms but as a proportion of their income and consumption of public services combined. That is why we introduced the new fairness premium.

On the hon. Gentleman's analysis of the role that VAT could play in trying to redress what he called an imbalance in fairness, I draw his attention to the fact that fairness is very much at the heart of the Government's approach to addressing the fiscal deficit, and across the whole piece we are making sure that those who can pay bear the biggest burden.

Child poverty is an area for which I have direct responsibility. I hope that the hon. Gentleman welcomes the child poverty strategy that the Government introduced in April. I also hope that he welcomes our evolving idea for a commission to look not only at child poverty but social mobility. I am sure that he wants to ensure that his constituents have social mobility, so that they can enjoy a better quality of life and standard of living. By drawing those two important issues into one commission, the Government can be held to account, and there can be the right level of scrutiny of our policies. The child poverty strategy underpins the Government's ambition for children to be able to realise their potential throughout the country, whether they live in the north, south, east, west or, indeed, the midlands—the area that the hon. Gentleman represents.

The universal credit is one of the most potent tools for addressing child poverty. I am sure that the hon. Gentleman will have followed very closely the debate in this place and the other place. The introduction of universal credit, which tries to simplify our overly complex benefits system, will help around 900,000 individuals, including more than 350,000 children, out of poverty by making sure that work pays. People will understand that our very complex benefits system can be simplified and made to work for them, rather than there being a jungle of different benefits, as is the case at the moment.

The hon. Gentleman mentioned the importance of child care in making sure that work pays. I agree that that is important. I know from my constituents—I am sure that this is true of his as well—that the costs of child care can make all the difference to being able to get into work. The Government have recognised the difficulties that families face. We have reaffirmed our commitment to helping parents with the costs of child care by investing an extra £300 million in child care support under the universal credit system. Individuals who perhaps found it difficult to stay close to the labour market when they had children, because they were not able to do a full-time job, will for the first time have access to child care cost support. Individuals working fewer than 16 hours a week will be able to get the support that will enable them to do a few hours' work a week. That will keep them close to the labour market, and perhaps when their children are older, they will be able to take on more work. The Government are trying to help families through difficult times in practical ways, so that they can build better lives.

I have covered many of the issues that the hon. Gentleman raised. If I have left any out, I am sure that he will raise them with me separately. I hope that I have

reassured him and his constituents that the Government absolutely understand the pressures that families are under at the moment. We are taking very practical steps to alleviate some of the financial pressures that families face. We are looking to the long term and putting in place the sorts of building blocks that will help families, individuals, and parents, and will help children to get the right start in life. We will help people to get the support that they need to get good jobs and keep them in the long term. We are trying to give them the standard of living that the hon. Gentleman and I want them to enjoy.

11.29 am

Sitting suspended.

High-Speed Rail

[NADINE DORRIES *in the Chair*]

2.30 pm

Paul Maynard (Blackpool North and Cleveleys) (Con): It is a pleasure to serve under your chairmanship, Ms Dorries, for what I think is the first time.

Members may wonder why we are having yet another debate on High Speed 2. In fact, we are not; we are having a debate on high-speed rail in the north. I requested this debate partly because when we discussed the issue in the main Chamber a couple of weeks ago, I felt that there were not enough contributions from the north, and I wanted to rebalance the equation. I do not want to debate the merits of HS2 today, and I do not really want to talk about anything south of Birmingham if I can help it. I want the debate to focus on the north, and I do not intend to stop at the Scottish border. I deliberately used the word "north" to encourage Scottish Members to participate in the debate.

I will try to make clear the terms of the debate, and also state what the debate is not. I used the phrase "high-speed rail in the north" to ensure that the debate was not about HS2—which to my mind is ultra high speed—but about high-speed rail as a concept. Equally, I make a plea for a slightly more consensual style, compared to previous debates. New infrastructure projects understandably excite high passions, but wandering into Prime Minister's questions wearing a colourful badge that cannot be read by anyone watching TV, let alone other Members, does not benefit either set of arguments, and diminishes the dignity of the House. That does not mean, however, that we have to accept a mushy consensus on infrastructure projects. I accept that we will disagree, but I hope that we can do so in a polite and measured way.

If I were given billions of pounds to spend on transport in the north of England, would I immediately reach for high-speed rail links to London? Perhaps not. When "The Northern Way" transport compact first got going in 2006-07, it did not mention high-speed rail because that was simply not on the agenda. It focused on improved connectivity in the north of England, rather than between the north and the south, and it highlighted the importance of the trans-Pennine corridor. That importance was emphasised by the Government's switch from the S-route to the Y-route, together with the issue of what to do with the Woodhead tunnels. I would also welcome a little reassurance from the Minister on the northern hub. Even if it is to be delivered in parts, will the sum of those parts still equal the whole of the vision? I trust that it will.

We must consider how we differ from our European counterparts. If I think of the Liverpool-Manchester metropolis, it rather reminds me of the Rhine-Ruhrgebiet in Germany, another heavily industrialised urban area. One difference, however, between this country and the Rhine-Ruhr area is the comparatively poor transport links found in our metropolises. We can learn a lot just by looking at Germany for a change.

I have no shortage of material for this debate, and although I could probably speak for an hour and a half without trying, I promise that I have no intention of

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doing so. I will try to take a step back and look at some of the more thematic policy issues and the effect that a decision to proceed with any form of high-speed rail north of Birmingham will have on Government policy making. I do not want to see half-baked solutions that run to other people's political timetables.

Quality of policy making is crucial; it is what I came into politics to try to improve, and no matter what party is in power, I think that the quality and detail of public policy making in this country is bad. The quality of our understanding of transport in the north of England is, to my mind, entirely due to work by "The Northern Way" over the past five years, and I mourn its loss greatly. I do not blame the Government entirely for that loss, and it is a shame that many of the local actors who had the chance to fund "The Northern Way" after the closure of the regional development agencies did not take the opportunity to do so. The loss of "The Northern Way" has created a fundamental problem, because we have lost the pan-northern perspective and the ability to weigh up differing priorities in Yorkshire, the north-west and the north-east. We are seeing a retreat back to lists of regional priorities, with Manchester wanting one thing, Liverpool another, and Leeds something else, and there is no body that tries to pull those things together and says, "Your proposal is slightly better than that one." We need some form of co-ordinating body that would allow such prioritisation.

I participated in the Transport Committee inquiry into high-speed rail—I assure hon. Members that it was a mammoth undertaking, and I do not think that my life will ever be the same—so I know how much controversy there has been not only over the detail of the route, but about which field the line will or will not go through, how noisy or quiet it will be, how big this will be and how small that will be. We have perhaps never seen such controversy over a single infrastructure project. The debate was based on the single premise—the single fallacy—that merely building infrastructure automatically promotes economic growth. It does not. It is not a case of "Build it and they will come"; we need look only at so-called Stratford International station to know that. Stratford International station in east London is remarkable in having no international train services—most impressive. It is a classic example of the sort of white elephant that those of us who are concerned about levels of public expenditure do not wish to see.

The Department for Transport's promotion of high-speed rail has focused on the three Ls—Lille, Lyon and Lleida—as examples of how investment in high-speed rail in Europe has brought economic growth to the surrounding areas. However, for every city named by the DFT, the anti-high-speed rail campaign provides an alternative, and says that high-speed rail makes no difference at all, is a total waste of money and that we should not bother. At the end, it is rather like the Eurovision song contest on a city basis, with "nul points for Zaragoza," and "dix points for Brussels." That is not informative, and what matters is not so much the location, the name of the city or how good its PR effort is, but what the local government in the area chooses to do in response to hearing that it will get a high-speed rail link. That critical variable is often overlooked in the debate.

In evidence to the Transport Committee, Professor Tomaney from Newcastle university stated:

> "The stations themselves do not, on their own, provide those development opportunities. What is required is much larger-scale economic development planning."

Hon. Members may think that I, a Conservative, would hide my head under the desk at that statement—"How could he possibly suggest economic planning? What an appalling thing to do!"—but it is more subtle than that. If we know that a high-speed rail link will go to the centre of Manchester, we have to deal not only with issues of dispersal, an integrated transport system and whether the buses and suburban trains interlink, but wider policy issues about housing and jobs, and schools policy in particular, which is often overlooked in transport planning. We should look at the wider policy, not just at issues of transport, and as the Government move forward and consider how to progress with high-speed rail, they must look at more than just transport.

There are risks, and it is silly to pretend that high-speed rail will be only a good thing and that nothing bad could ever happen. Professor Roger Vickerman also gave evidence to the Transport Committee, and pointed out that although the arrival of the TGV in Lyon and Lille benefited those two cities, it also sucked in some of the economic activity from towns in their immediate peripheries. Unless the correct decisions are taken locally, high-speed rail could arrive in one city and cause a diminution in economic activity in a neighbouring city, suburb or minor area. That is a possibility, but certainly not a given. There are no givens in this debate because, as I say, the situation depends entirely on the decision making at local and regional level. Whether someone is a supporter or a detractor—a friend or foe—of high-speed rail, they have to agree that that must be part of the debate, and I argue strongly that it has been absent from the debate so far.

Mr John Leech (Manchester, Withington) (LD): As a fellow member of the Transport Committee I, too, was on the visit to which the hon. Gentleman refers. Although we heard that argument made in Lille, in Frankfurt we heard a counter-argument: the Frankfurt to Cologne line had a significant impact in improving the whole region, not just the two places where there was a station. People argued strongly in Frankfurt that there was a benefit for the whole region between those two areas.

Paul Maynard: I thank the hon. Gentleman for that intervention. He is correct and almost makes my point for me: it is horses for courses. We can all point to examples of high-speed rail achieving one thing in one area and a different thing in another. The most interesting aspect of the German example that he points to is that Frankfurt is at the confluence of about four different Länder. It is quite difficult for Frankfurt to have regional planning when, at the level at which that tends to occur, it has about four different bodies to try to liaise with. That again shows the difficulties, but also that if the will is there, the correct decisions can be made that lead to economic growth.

That is perhaps the challenge that we have to face: at what level do we seek to take the decisions? I am firmly of the view that local transport consortiums—or whichever range of acronyms we wish to append to the matter this week—are crucial for moving forward. I would welcome

information from the Government on how that is progressing. We can point to Transport for Greater Manchester as a very good example of what can be done. It is interesting and welcome that the differing integrated transport authorities are all moving at what I suggest is a slightly different pace in their own particular direction. Standardisation is being lost, and there is, I think, more local sensibility. That can only be a good thing, but it still does not resolve the problem that I shall refer to, with apologies to the hon. Member for West Lancashire (Rosie Cooper), as the Skelmersdale problem. I mean no disrespect to that fine town.

Skelmersdale is in the travel-to-work area of at least two major conurbations—Manchester and Liverpool—yet it is not in either the Greater Manchester or Merseyside city regions. It is in the district of West Lancashire. That poses a challenge for transport planning, because we seem to have in this country a culture that says, "You are where you are. You are defined by your boundaries, not by your economic patterns or what actually happens in an area." We also seem to have an unwritten rule that says, "You can only be in one club at any one time. You can't be in both the Greater Manchester area and the Merseyside area at the same time. Heaven forfend!" That has consequences, as I hope the hon. Lady would agree, for her constituents, in terms of improving transport links to both the main areas.

Rosie Cooper (West Lancashire) (Lab): The hon. Gentleman encapsulates the problem that my constituents have. The new town of Skelmersdale is 50 years old this year. It has no railway station and very poor transport links, and it is therefore isolated. If we could extend the development of high-speed rail through the north-west, that would bring economic benefits right round, not just to the Skelmersdale part of my constituency, but to the Ormskirk and Burscough areas, with the Burscough curves joining lines up to Preston. It is nonsense that in the 21st century we should be caught between two stools. We have no railway station and no transport links, and are therefore losing out on a huge economic benefit.

Paul Maynard: I thank the hon. Lady for that informative intervention. I know that there is no shortage of transport proposals in West Lancashire. She has not even mentioned the Ormskirk bypass yet. We could go on and on, I am sure.

To my mind, city regions have the best potential. I know that potentially they are also controversial. I am sure that many people would not want a return to Merseyside. However, I welcome the proposals from Lord Heseltine and Terry Leahy; if we are to have elected mayors in our great cities, they probably need to cover more than just the council of that name.

Alison McGovern (Wirral South) (Lab): As a proud Merseysider, I have to correct the hon. Gentleman and tell him that Merseyside still exists, certainly in transport terms. One of the important things that he is telling us is that interconnectivity between city regions that cover places such as Skelmersdale, and from Wirral to north Wales, is among the most important factors. There is already some good practice on the ground, certainly in Merseyside, in that respect. Is his point that we should deal with the reality of people's lives, rather than having arbitrary decisions made in Whitehall about what councils do or do not exist?

Nadine Dorries (in the Chair): Order. I ask hon. Members to keep to the substantive issue of the debate when making interventions.

Paul Maynard: I agree entirely with the hon. Member for Wirral South (Alison McGovern) that this should be about people's lives. Let us imagine that high-speed rail is coming to Liverpool. That will have an impact on the lives of people outside the former Merseyside as well as inside it, whether they are in Cheshire, Halton, Skelmersdale or wherever, and we have to respond to that.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): I would like to turn the focus slightly away from Lancashire and Merseyside for a second. The hon. Gentleman is making a very powerful argument for the importance of local networks and making the most of high-speed rail. That applies in Scotland as well. Does he agree that it is important that a decision and commitment is made at an early stage that the routes will run to Glasgow and Edinburgh, not just because that will benefit our areas but because it will bring particular added value to communities further south, which will gain from the extra business that the extension to Edinburgh and Glasgow will bring to communities all along the line?

Paul Maynard: I thank the hon. Gentleman for that intervention. That is precisely why I used the phrase "high-speed rail in the north"—because I did mean north as far as Scotland, and not just to the Scottish border. As I said, we seem to spend a lot of time trading cases of where high-speed rail has worked and where it has not. I have tried to ban the word "transformative" from my lexicon, because I have got so bored of hearing people tell me that high-speed rail will be transformative. I am not quite sure in what way or with what evidence—they just like to say it because it sounds good.

Mr Brian H. Donohoe (Central Ayrshire) (Lab): I congratulate the hon. Gentleman on securing this important debate, because it is on an issue that we have been talking about, but that there has not been much action around. When he talks about local areas, does he really mean that? I ask because I think that the programme will never take off unless there is a national planning committee that can oversee everything about the idea.

Paul Maynard: I thank the hon. Gentleman for that intervention. I spent an hour at lunchtime trying to work out whether I was a Liberal or not. I was reading the yellow book from 1928, called "Our Industrial Future", which recommended precisely what he has referred to—a national infrastructure planning commission that would take the decisions. That is all well and good, but I come from a different political tradition. I discovered that I was a Conservative after all. The reason why I am talking so much about local decision making is that for high-speed rail to have the impact that we all want it to have—in particular, for the rebalancing of the economy that the Government so value—there are decisions that will have to be taken at local level. My concern is that if we do not think about that now, it will not happen, so I

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hear what the hon. Gentleman says, but the tenor of my remarks is designed to draw attention to where we need better local decision making, and where the DFT needs to factor local priorities into its planning.

I will try to draw my remarks to a close, because I have been going on for almost 20 minutes. In particular, I would like the Government to convene something analogous to "The Northern Way", be it a ministerial committee for transport in the north of England, an advisory group or whatever. It should be something that will bring together all the different voices in the north for the purposes of understanding and reprioritising. A large number of projects have been proposed, with varying cost-benefit ratios that we have all looked at and analysed to the nth degree. We need some way of working out what the pan-northern priorities are. At the moment, I am concerned that that will not occur, so I hope that the Minister can reassure me on that key point.

2.50 pm

Graham Stringer (Blackley and Broughton) (Lab): I congratulate the hon. Member for Blackpool North and Cleveleys (Paul Maynard) on securing this important debate, with the specific title and terms of reference that he spelled out. I also congratulate him on his powerful description and analysis of many issues involved; I agree with a great deal of what he said, although not with every full stop and comma.

I want to make a few points about the project and how it relates to the north-west of England and the north of the country beyond Birmingham. I would like to draw an analogy with trams. At the moment, Manchester is trebling the size of its tram network, while Liverpool, Southampton and Leeds do not have trams. The important point that I draw from that is not that Manchester's case, which is good for the tram network, was much better than the case of the other cities, but that the 10 districts of Greater Manchester and the three political parties were united. To cite the comments of my right hon. Friend the Member for Knowsley (Mr Howarth), the politics in Merseyside were dysfunctional when it came to trams. Having all-party support and as much backing as possible for a project is almost as important—in some ways more important—than different economic cases, a cost-benefit analysis and an economic impact analysis.

It is important to keep such an all-party group together. This country has too little infrastructure, which damages the whole economy. One of the reasons why we have too little transport infrastructure is that we have not always been able to build an alliance between the parties. I could give example after example of where we should have had motorways, railways, trams and runways where we do not have them. Therefore I welcome a detailed debate, whether it comes from the Front Benches, the Back Benches or people with constituency involvement. The high-speed rail system is a major piece of infrastructure, which, whatever its impact to the north and the south, will help the country as a whole, and it is important to understand that.

I have read many cost-benefit analyses over the years, and while it is important to prepare them, the way in which the Treasury, the Department for Transport and other Departments look at them means that they contain so many variables that one can make them say anything one likes.

The important thing about the project is that it has been justified on two grounds. The first is that there is an immediate issue with capacity between Birmingham and the south, and the second, which comes along later, is that it will help rebalance the country, and the country certainly needs rebalancing.

On the second justification, I have spent my political life trying to get investment into the north of England and into Manchester in particular. If we want to use the project to rebalance the country, it is odd to start building it from the south to the north and not put a spade in the ground in the north of England for potentially 15 or 16 years. The reason for that is the reason that we always get from the Department for Transport: the capacity problem. Such an analysis of why we invest in infrastructure is one of the reasons why 95% of our capital expenditure on transport in England goes into London and the south-east—it is crowded there. If we use that as a basis for our investment decisions, we will always put it there and increase crowdedness, effectively subsidising congestion. I would argue that if we want to make an impact on the north-south divide, we need to start in the north and look at all the projects that are determined by congestion and overcrowding as economically transformative. I know that the hon. Member for Blackpool North and Cleveleys will object to my use of that term; I rarely use it, but it is important in the context of getting as many bangs for our bucks economically, as well as dealing with the immediate transport problem. I ask the Department to look at the issue generally.

I think that the claims for the impact on the north of England from High Speed 2 are ambiguous. I did not go on the trips—I was not serving on the Transport Committee at the time—but there is certainly a case that Cordoba, Turin, Lille and Lyon have benefited. One could also make the case that high-speed rail has sometimes had a negative impact on those cities. The same is true with roads, or with any transport infrastructure, because roads go both ways: they can take economic activity away from or into an area.

Tristram Hunt (Stoke-on-Trent Central) (Lab): I represent Stoke-on-Trent, where there are fears that High Speed 2 could reduce connectivity if the line passes the city and does not stop there, while the capacity on the west coast main line—the Manchester-London route—is diminished. While Stoke-on-Trent might benefit from the growth of Manchester or Birmingham, there are fears in the city about its own connectivity with HS2.

Graham Stringer: There is a fear. There are genuine worries in Stoke, and potentially Coventry and south Wales, that there could be a negative impact. I would ask those areas please not to have a dog-in-a-manger attitude and say, "Let us not have this excellent new piece of transport infrastructure." Let us work out how we can get investment in those areas, using either high-speed rail or something else. If people end up just opposing the project, they will damage the economic and transport base of the whole country.

Mark Lazarowicz: Does not the point that was semi-raised by my hon. Friend the Member for Stoke-on-Trent Central (Tristram Hunt) underline the need for some

form of regional transport planning? We do not want to build stations with no connections to the wider community and area; we want Stoke and other similar cities that are not on but near the line to have good links. We can see that in the best European systems, which is why the benefits are more widely spread there.

Graham Stringer: Absolutely. It makes sense that people can connect to other places if a high-speed line is built. I know that the timetables of the rail system in the north, which I know better than that in the midlands and Scotland, are slower than they were in 1880s—I say that in nearly every debate in which I speak. Taking out congestion points and improving the northern system and that in the rest of the country must be the best way to use the investment that is going into the project.

I want to finish on some points made by the hon. Member for Blackpool North and Cleveleys and by the Action Alliance, which opposes high-speed rail, in the document that it sent out today. First, if someone had £33 billion to spend in the north or the whole of England, they would not necessarily sit down and say, "This is it"; they would probably sit down for a long time and not agree to spend anything. However, the project is out of the starting blocks, and there are many benefits to be had from it. If someone were to ask, "Should the country have motorways?" the answer would be, "Yes, we should have motorways." In the same way, we should have high-speed rail. That, together with all-party support, is the real justification for the £33 billion.

Julian Sturdy (York Outer) (Con): The hon. Gentleman makes a good point. High-speed rail is important to the north of England, but it needs to be developed alongside the classic network and also alongside aviation and road. We need a strategic transport policy that covers everything. High-speed rail is not the panacea, but it is part of a strategic transport plan.

Graham Stringer: The hon. Gentleman is right. Even though I am a member of the Labour party, I am always slightly cautious about having the perfect plan. When one is involved in transport plans or economic development—it does not matter whether it is in the private or the public sector—one has to be opportunistic and take what is there. Sometimes it can take too long to wait for the perfect plan. That does not mean that we should not think about how we can connect different parts of the system.

Like the hon. Member for Blackpool North and Cleveleys, Action Alliance makes the point that high-speed rail does not automatically bring with it economic benefits. Let us take, for example, the economies of Manchester and London, or Birmingham and London. Some argue that high-speed rail exposes them to bigger markets, which is true because the train goes both ways. A dynamic city or region is at a real advantage. What city would not want to be in a bigger market so that they can attract more people and investment? Although it is possible to fail in such an area, it is easier to succeed if there is high-speed rail.

David Mowat (Warrington South) (Con): I, too, was struck by the Action Alliance analysis that when we improve connectivity, the stronger city benefits and the weaker city loses out. If we follow that logic through to the end, it means that we should close the M6, the M1 and the west coast main line, which is ridiculous.

Graham Stringer: It is ridiculous, but that does not mean that Action Alliance does not have a point in saying that it is dangerous; the world is dangerous. We have to take our opportunities to create jobs where we can. It does not automatically lead to growth, but it would be negative not to take this opportunity to have growth. To emphasise that point, let me make one more comparison between Manchester and Liverpool—I am not having a go at Liverpool because this, unlike the story about the trams, has a happy ending. There is a more solid case for saying that airports have a real economic benefit for regions. Unlike roads, they rarely have a negative impact. Merseyside county council did a lot of work on Liverpool airport. It extended the runway and got an estuarial take-off. The whole scheme should have had many advantages, but they were realised only when John Whittaker and the Peel Group took the opportunity and bought Liverpool airport and brought some commercial acumen and ability to it. There are real advantages here. I hope that we can keep the all-party alliance together because this project is important for the country as a whole. As it is called high-speed rail, perhaps it should be done from north to south because that would be slightly quicker than the schedules that are envisaged at the moment.

Nadine Dorries (in the Chair): I call David Mowat.

3.3 pm

David Mowat (Warrington South) (Con): I was not expecting to be called. I would have preferred to wait a little before making my speech. I will be fairly brief. I want to touch on the business case figure for high-speed rail, which is estimated at 2.6, including the wider economic benefits. That is considerably higher than the business case of Crossrail. I know that we can all doubt the Department's methodology, but nevertheless let us put that on the table first.

One of the arguments against the project is whether we can afford it. It costs £32 billion and we are in a time of recession. It is also worth saying that it will cost £2 billion a year, which will kick in more or less when Crossrail finishes. On a cash-flow basis, therefore, it is not too tough. The business case is predicated on capacity constraints. I have some conservative figures here. Over the last decade and a half, rail journeys have increased by around 5% a year. This business case assumes an increase of 1.6% a year. We do not know whether that will happen; it may not, but the figure is certainly not aggressive.

The business case has been criticised because it does not take into account people's ability to work and be productive while travelling and therefore overestimates the benefit for time saving in terms of economic activity. It has been shown in a number of debates that such a view is false because if these trains are so full that everyone is standing up, no one can work on PCs or anything else. The business case is supported if we assume that.

In his excellent remarks, the hon. Member for Blackley and Broughton (Graham Stringer) talked about the north-south divide, for which this project is not a panacea. However, to say that it will not make a contribution is just fatuous. We have already talked about the pamphlet from Action Alliance—I like to call them the Amersham-based Action Alliance—that came out today. The argument

[David Mowat]

that the benefits would accrue more significantly to the bigger city does not stand up to any kind of scrutiny. It implies that the M6 and the M1 are bad because they fix the north-south divide and I find that hard to believe.

I will not speak about the wider benefits of the project other than to say that the chambers of commerce in the north-west, Leeds and Scotland have come out strongly in favour of these transformative—actually, transformative is not a bad word—benefits. The impact on the north-west economy is calculated to be around £10 billion and we need that. It is easy to unpick the business case by saying, "Actually, my town is not really on the route and it is not too good for my town because we will have to do this and we will have to do that." The truth is that we have to look at some of these decisions regionally. If £10 billion is injected into the north-west economy, it is just not possible that that will not help Warrington, whether or not Warrington is on the spur.

I have three points for the Minister. One is about timing. Once we accept and buy into the transformation benefits, there is an issue for the north-west in how the Government are going about this. Broadly speaking, Birmingham and the west midlands will receive this infrastructure, in which we all believe, about a decade sooner than Manchester and a further decade before Scotland, which is not even on the map yet.

Mr Donohoe: Does that not back up the argument that if this were to be a project that was about to begin, it should start in Scotland and move south, as well as from the south moving north?

David Mowat: There is certainly a case for not necessarily starting all the construction work in London and coming north. I do not know whether it should start in Scotland, Warrington or Manchester, but there is a case for going both ways. Let me come back to this timing point. There could be a decade of benefits accruing to Birmingham in inward investment, and a decade of benefits accruing to the west midlands in better links. We are all guilty in this debate of talking about links to London. It is about links not to London but to the continent of Europe through St Pancras. That decade is a worry. Given the current fashion for bringing forward infrastructure projects and the fact that the business case for this project is stronger than that of Crossrail, will the Minister tell us why we are not taking the opportunity to start some of the construction work in the north more quickly? That would take away the problem of the lost decade, which, without wishing to sound as if I lack confidence in our project management abilities, can sometimes turn into a lost decade and a half. Therefore, I am interested in hearing what the Minister has to say about the timing of the project.

We also need to pin down some of the existing uncertainties, especially on the north-south dimension. I may be wrong, but I do not think that it has even been accepted for certain that Piccadilly will be the final destination. That needs sorting out, as does the link to the airport. I do not want to become embroiled in the arguments about having a third London airport, but if we have a high-speed link between Manchester airport and Heathrow—a journey of, for example, 60 or 70 minutes, which would not be much slower than the journey to Gatwick—I find it difficult to see how there will not be some impact on, or some marginal benefit to airport congestion in the south. The whole issue of Scotland needs to be sorted out, at least in relation to the north. We have a plan—a business case—and we are beginning to understand where the route will be. However, I also want some assurance about when the route north of Birmingham will be set out, because we can then start to plan and to put in place the sort of local initiatives that we need to make the whole project work.

Finally, on local initiatives, I was struck by evidence that the north-west is a little different from Birmingham in terms of shape. Manchester and Leeds sit at the bottom of the north-west, which has a much longer shape, so connectivity matters much more, while Birmingham is more central to the west midlands. The northern hub has been mentioned, as has the need for it to be clearly linked with the whole project. I completely agree with that point, but I also agree with those who have said that we cannot just do nothing until everything is sorted. I am keen to hear assurances from the Minister on those three points.

Nadine Dorries (in the Chair): May I remind hon. Members that if they have requested to speak via the normal channels, but wish to speak at a certain point in the debate, they should let the Chair know, so that they can be listed accordingly?

3.12 pm

Alison McGovern (Wirral South) (Lab): I congratulate the hon. Member for Blackpool North and Cleveleys (Paul Maynard), and I hope that I will not test his rules for us too much. I may mention the case for High Speed 2, but I hope that he will forgive me. I shall do so from a perspective that is different from that previously taken, so I hope that it will not trouble him.

I want to make two points. First, we sometimes forget about connectivity in the north, although everyone assumes that they know about north-south connectivity now. Secondly, I want not only to consider northern cities and to build on the comments of other Members, but to look at bits of connectivity that are smaller but none the less truly important. I hope that the Minister will answer my questions about those minor bits of transport connectivity in the north of England and in Wales.

It is worth dwelling for a moment on the problem that is regularly experienced by my constituents, many of whom travel by train and are frequent users of the west coast main line. The problem is not that they cannot get to London quickly enough, because they can certainly get to London quickly, although they have trouble getting to other places fast enough; their problem is that they will probably not easily find somewhere to sit comfortably. That is a problem of capacity, not speed—I can see hon. Members nodding, for which I thank them. Watching the media, I sometimes have the impression that people think that congestion happens only in the south, and that the north of England is a traffic-free zone, where people always sit comfortably on trains. That is just not the case—if only it were. The west coast main line is very crowded.

I regularly meet people from businesses in the Wirral and the wider Merseyside area who wish to grow their businesses, but the problem is that their ability to do so is partly limited by their ability to travel. I must declare an interest in that, in a previous life, I worked for two years for Network Rail, so I am not averse to discussing

engineering. I know from my time there, as the Minister will also know, that we do not begin such projects by asking ourselves what the biggest piece of infrastructure is that we can conceive of to solve the problem. We should try to do the straightforward things first, and it is worth bearing that hierarchy in mind.

The rail industry has struggled with problems of connectivity and congestion for many years. One solution is to have longer trains and longer platforms, but the west coast main line has a very limited ability to do that. Another solution is related to signalling and whether more train paths can be fitted in, but that is again very limited. I well remember—this is an important point—the impact of the west coast main line modernisation project on Liverpool, particularly when it was the capital of culture and that project was at its height. We are therefore out of options, which is why we are where we are and why we are looking at High Speed 2. There is no question but that it is needed. Business men in my constituency are desperate to travel around to grow their businesses. They ask me all the time about rail fares and about the congestion from which they suffer, and we should always keep their perspective in mind.

To my mind, the case for High Speed 2 has been made, although others may still question it, but we need to consider other elements of rail in the north. I agree with hon. Members who have spoken about the value of The Northern Way and asked whether some group might be convened to look at what projects are necessary for the whole north of England. In my previous life working in the cultural sector, one of the hardest problems was building the cultural economy in the north of England, where there are very important visitor destinations in Liverpool, Manchester and Newcastle. The pathways between them are extremely difficult. Liverpool to Manchester is not too bad, although, given that they are only 38 miles apart, the time it takes to travel between them is not good enough, but I hope that will be assisted by electrification. However, Liverpool and Newcastle, which are two extremely important visitor destinations for this country, are not well connected, and a future priority for the Government must be to look at that.

There is a huge amount of latent demand in our economy that we should try to develop. That is true of not only the visitor economy, but other parts of the country's economy, including the energy sector, which would be assisted by transport connectivity. At the end of the day, the transport economy is there to serve the rest of the productive economy. I might just add that I have been encouraged by the support shown for central planning in this debate, albeit tempered by the need for localism, as was mentioned by the hon. Member for Blackpool North and Cleveleys.

A cross-north path is very important, not least to the people of Yorkshire, who want much better connectivity to Manchester and Liverpool.

Stuart Andrew (Pudsey) (Con): The hon. Lady is making a very good case for connectivity across the north. We have always said that High Speed 2 is not the only solution and that we should create such connectivity. Recently, I took the train from Wrexham to Leeds, which took me four and a half hours, whereas people going to London arrived in about two and a half hours. Does that not make her point?

Alison McGovern: I could not have come up with a better example. Wrexham is a town I know well. Hon. Members may not know that it is a fairly large industrial hub for the Deeside industrial area. Wrexham is a lynchpin, and so is Leeds, for business and legal services. The hon. Gentleman has lighted on a classic example. I implore the Minister to keep the Wrexham to Leeds example in her head, to remind her of the scale of the challenge in the north.

I do not really like making north-south comparisons, because the south has plenty of connectivity problems, I know; but the way London acts as the hub in the middle of large spokes—that is not what we have in the north—creates some of the difficulties.

Jason McCartney (Colne Valley) (Con): I thank the hon. Lady for giving way and congratulate my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) on obtaining this important and worthwhile debate. On connectivity, I am a Yorkshire MP and there are two stations in my constituency on the Leeds-Manchester line, Slaithwaite and Marsden. Already there are concerns, because of electrification and the northern hub project, about the number of stopping services that will be available once the line is sped up. However, that is not necessarily a reason for us to be wary, or to be anti-high-speed rail; it just highlights other areas for investment in the rail network. I welcome the debate and what is being said.

Alison McGovern: I thank the hon. Gentleman for his comments. He clarifies exactly my point: we should be talking about what is necessary additional to High Speed 2.

Rosie Cooper: My hon. Friend talked about connectivity generally and the fact that it takes quite a time to get from Liverpool to Manchester, which is a distance of 38 miles. In this general discussion I would like to drive that further. For example, Skelmersdale does not have a railway station at all, so in rail terms it could take for ever to get from Skelmersdale to Manchester, or Skelmersdale to Liverpool. Skelmersdale to Preston takes for ever. To go by road—by bus—from Skelmersdale to the local hospital in Southport takes one hour and 23 minutes. I have done it.

The hon. Gentleman talked about the Ormskirk bypass earlier. People can get up and down Lancashire, but not across it. I fought and fought on that.

Nadine Dorries (in the Chair): Order. That is a speech, not an intervention.

Rosie Cooper: Sorry. Add to that the fact that there is no railway station, transport is poor and people cannot use the roads either: it is impossible. We are not talking about big things. We cannot move.

Alison McGovern: My hon. Friend's intervention brings home why all the things we are discussing matter. When I worked in the rail industry and spent a lot of time talking to engineers, I was constantly impressed by their abilities. However, sometimes I think that they forgot, a tiny bit, about the people. We should focus on articulating, as my hon. Friend has just done, issues such as being able to get swiftly to hospital. For people who live in

[Alison McGovern]

Skelmersdale, having options in the current hard times in the labour market, and being able to get swiftly to the employment centres of Manchester or Liverpool, is crucial. We are not engaged in a dry discussion about the best way to engineer a railway; the discussion matters to our constituents on a daily basis, and my hon. Friend made that point well.

Pat Glass (North West Durham) (Lab): Before coming into Parliament, I did a lot of travelling in my previous job, in the north-west and in Yorkshire and the Humber. Getting to places from Durham is not just a matter of arriving swiftly, or at all: it is a question of the pressure being put on the roads. To go north-south from Durham, where I live, to Yorkshire, I used to travel by train. If I was going to Manchester, and had plenty of time or was staying overnight, I went by train. If I wanted to get there in a hurry, or to go to Liverpool, I drove, adding to the congestion on the motorways. We need to take that into account as well.

Alison McGovern: My hon. Friend is right. We should not aim to design bits of railway across the north just for fun, because it would be nice to have a bigger train set. We should consider the total impact of what we are doing, not least on the economy, but also, as my hon. Friend said, on the environment. People's stress levels are also affected. People tell me that one of the great things about the new west coast main line timetable is the fact that, because it is swifter, they arrive in a relaxed way. The performance of that bit of the network has largely been good, so they arrive ready to work in a relaxed way, which is what we want.

I want to conclude by talking a little about Wales and Cheshire. I hope that that will not test the definition of the north too much. We sometimes wonder about Cheshire and how far it qualifies as part of the north. Wrexham, as I mentioned in response to an intervention, is a crucial place industrially. It links to the Deeside area where lots of businesses are located. Connectivity between Wrexham and Liverpool is very poor. There is the Wrexham to Bidston line, on which there is one service an hour—it is terrible, and I have raised it with Ministers before. We need electrification of that line and a much better service at some point in future. It would be a massive help in getting people from north Wales to Liverpool airport. The line goes through areas of severe deprivation, where we want to get people to work as quickly as possible.

The hon. Member for Weaver Vale (Graham Evans) was here earlier, and there are also issues to do with connectivity in the bit of Cheshire closest to the River Mersey. It is astonishingly difficult to travel by rail through that part of the network. I hope that in planning for the coming of High Speed 2 we will look not just at the major towns that we need to connect but at all the smaller elements of rail. The High Speed 2 project enables local areas to consider some of the planning, and work out what would best help them to make the most of High Speed 2. It is not just the major cities across the north but the smaller communities that need to be connected in, additionally, to the larger project.

The case is really made on the basis of capacity alone, but we will not achieve the benefits that are possible unless in the intervening years we focus on cities in the north, and the way to ensure the best possible connections between communities and the economies they want to work in.

Nadine Dorries (in the Chair): The winding-up speeches will begin at exactly 20 to 4, so perhaps the remaining two speakers will divide the time accordingly.

3.27 pm

Mr John Leech (Manchester, Withington) (LD): It is a pleasure to serve under your chairmanship, Ms Dorries. I shall be brief to allow others time to contribute. I am particularly pleased to have the opportunity to speak, and I congratulate the hon. Member for Blackpool North and Cleveleys (Paul Maynard), my colleague on the Transport Committee, on securing the debate.

It is good to see that the subject is the impact of high-speed rail in the north, rather than concerns about its impact on particular constituencies. I am conscious that the debate about high-speed rail has so far been dominated by MPs with understandable concerns about the effect of HS2 on their constituencies and the lives of their constituents. I would not decry any hon. Member for doing their job in representing the interests of their constituents. Any infrastructure project of this size will cause a significant amount of disruption and heartache for the people it affects.

I have personal experience of the issue in my constituency, because of the difficulties with the Metrolink extensions, which the hon. Member for Blackley and Broughton (Graham Stringer) has mentioned. Constituents have understandable concerns about changes to the local infrastructure and the impact of those changes on their lives. I understand why some residents turn against schemes that they support in principle, because of incidents in their area. That is why it is vital that the decisions that are made about the local environment and how it will be protected are clear and transparent to the people most affected on the particular route. No doubt we will have the same issue to contend with when there is more clarity about the exact routes through to the north of England, once the decisions about those routes have been made.

The last time that I took part in a debate on high-speed rail, it was timely because the Transport Committee was about to embark on its inquiry into high-speed rail. By coincidence, this debate comes the day after the Committee took quite some time to discuss the draft report. After listening to all the arguments, both for and against, I am even more convinced of the need to press ahead with high-speed rail to the north and beyond. I have always been a strong supporter of creating a high-speed rail network that connects not only Birmingham and the west midlands but the northern cities of Manchester and Leeds, and Scotland. There is clear evidence that a new network is required to cope with capacity demands in the future, which is the principal argument for supporting high-speed rail to the north.

By pressing ahead with a high-speed rail network, we can ensure sufficient rail capacity for the foreseeable future. Some opponents of high-speed rail have argued that upgrading the existing main line networks would deal with any capacity constraints, but that would only address the problem in the short term. Ultimately, at

some point a high-speed rail network will be necessary. For a change, we are considering long-term need rather than short-term necessity.

Some £10 billion has already been spent on upgrading the west coast main line, but on 1 March this year the new chief executive of Network Rail made it clear that the west coast main line would be at full capacity within six to 10 years. In answering my question, he said that

"the West Coast line, within 10 years at the absolute maximum, and probably six years, will be at capacity, and that is with additional carriages included in the area. We can look at other tactical interventions in that line to put more capacity in there, but in the end it comes down to capacity: we will, across a number of key parts of our network, run out of capacity."

The chief executive of Network Rail is absolutely clear that, even with extra costly improvements, the west coast main line will not have enough capacity to deal with growth in rail travel. We need the high-speed rail network to accommodate future rail travel.

Competing services and franchises are already battling for space on the existing network. We in Manchester are lucky that we have three trains an hour to London—a train every 20 minutes. Due to the success of that franchise, Virgin wanted to extend the service to four trains an hour, but doing so would have adversely affected both local and regional services, and so Virgin's plans were opposed locally. At every review of timetables, certain services lose out. As attempts are made to tweak the timetable to optimise capacity and services, local trains are always the losers. The creation of a high-speed rail network will release significant capacity on the existing network, allowing the expansion of those regional and local services that are completely constrained at the moment by the needs of longer-distance inter-city services.

High-speed rail is about not only improving capacity, but economic benefits. The HS2 business case concluded that phase one to the west midlands would generate £20 billion in economic benefits, and the total benefits for the Y network to Leeds and Manchester were estimated at £44 billion, including an estimated £6 billion in wider economic impacts. Geoffrey Piper, the chief executive of the North West Business Leadership Team, has argued that HS2 is

"vital for the long term prosperity of the region."

The hon. Member for Blackpool North and Cleveleys has rightly mentioned our visit as members of the Transport Committee to France and Germany, where there are clearly big differences in the economic benefits of high-speed rail between different areas. What is certain, however, is that high-speed rail brings economic benefits.

My only word of caution about high-speed rail relates to the potential impact on investment in the classic railway network. The north of England is crying out for investment in the rail network, and we are desperate to see the announcement of funding for the northern hub in the next control period. Opponents of high-speed rail sometimes argue that we should not proceed with the scheme because it will result in a lack of investment in the existing network as all the money is diverted into paying for the high-speed network. That must not happen, and I hope that the Minister can assure us that it will not happen.

The coalition Government have already shown a commitment to investing in rail infrastructure despite the difficult economic times. In Manchester, we all warmly welcomed the announcement in the Budget of funding for the Ordsall curve—or the Ordsall chord, or whatever people might want to call it. That project will have a dramatic impact on capacity and journey times. The investment in high-speed rail must not come at the expense of investment in the existing rail network. Instead the two must go hand-in-hand to ensure that Manchester and the rest of the north of England reap the full benefits of high-speed rail.

3.35 pm

Eric Ollerenshaw (Lancaster and Fleetwood) (Con): Thank you, Ms Dorries, for squeezing me in at the end of the debate. It is a pleasure to serve under your chairmanship. I shall try to be brief.

I congratulate my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) and geographical co-partner in the Fylde area, who set the tone for the debate, which has been of a much higher standard than previous debates on this topic. The cross-party nature of the debate today has been extremely successful.

Having said that, I shall disagree with my hon. Friend in saying that we have already had high-speed rail in my constituency. That involved the first west coast main line in the 19th century, which went from Euston station to the Euston hotel in Fleetwood, which was the end of the west coast main line. The train ran at between 30 mph and 50 mph—apparently it did not frighten the cows, but it transformed Fleetwood. As the hon. Member for West Lancashire (Rosie Cooper) has said about the railway in her constituency, that railway has now gone, although the line itself is still there. In fact, the Minister has actually stood on that empty railway line, which runs from Fleetwood to Poulton. One can see that the decline of Fleetwood was matched by the decision to end that railway. Perhaps if the 1928 yellow book on rail safety had been put into practice, we would not have had that disaster.

High Speed 2 will be transformative, but the line will go through my constituency, as is the case with other hon. Members who have spoken today. The argument is not between north and south, because there will be similar arguments in the north to those in the south about exactly where the line should be.

Like the constituencies of the hon. Members for Manchester, Withington (Mr Leech) and for Wirral South (Alison McGovern), for my constituency this issue is about connectivity and releasing capacity. I want to add to that something that has been mentioned in the past, particularly by the hon. Member for Blackley and Broughton (Graham Stringer). If anybody remembers the last time that the west coast main line was upgraded, they will know that it took more than 10 years and caused absolute chaos. Anybody who thinks that we can tinker any further with that line and produce any extra capacity must take a serious look at the history over the past 15 years.

I appear to be running out of time, so I will conclude by welcoming what the Government have done already. I particularly support those hon. Members who have said that high-speed rail is not the key answer to the north-south divide, but it is a start. This issue is not about a poor north and a rich south, because we have really successful businesses in the north, including BAE Systems, the nuclear industry and what is coming in the

[Eric Ollerenshaw]

future, but it is about the national economy. For the coalition Government and MPs alike, high-speed rail is becoming the touchstone of the coalition Government's commitment to do something about that divide between the north and the south, which exists, and even more importantly about links to Scotland. I support the hon. Member for Blackley and Broughton, who asked, "Why did we not start the building from Glasgow and Edinburgh down?" And I also hope that the hybrid Bill, which will be introduced by the Minister, will mention not only Birmingham but Manchester and Leeds, and hopefully Glasgow and Edinburgh, too.

3.38 pm

John Woodcock (Barrow and Furness) (Lab/Co-op): Thank you, Ms Dorries. It is a pleasure to serve under your chairmanship.

I add my congratulations to the hon. Member for Blackpool North and Cleveleys (Paul Maynard) on securing what has been an excellent debate, with worthwhile contributions from all parties, including an interesting contribution from the hon. Gentleman himself. He made many good points. He also spoke about the need for an all-party consensus on this issue and today he has spoken, if I may say so, like a one-man all-party consensus. He said that even today he has searched his soul and he remains a Conservative, and that is fine. However, in bemoaning the loss of the regional development agencies and the Northern Way, he is speaking like a Labour Member.

Paul Maynard: Will the hon. Gentleman give way?

John Woodcock: I will of course give way to the hon. Gentleman, but before I do so I will just add that, in castigating his own Government, he is acting like a Liberal Democrat.

Paul Maynard: For the avoidance of doubt, I am fully behind the decision to abolish the regional development agencies.

John Woodcock: If the hon. Gentleman says so, that is fine. How he will get on with his colleagues after today I do not know, but whenever he puts forward sensible proposals, we will work constructively with him to further shared objectives, if he is willing to do so.

The hon. Gentleman made some important points about the northern hub, but Opposition Members believe that it is important to guard against letting the Government off and facilitating them by easing up on lobbying about delivering the project in parts and effectively leaving sections of the northern hub on the shelf.

The Minister of State, Department for Transport (Mrs Theresa Villiers): Will the hon. Gentleman give way?

John Woodcock: Of course. I welcome the Minister's contribution.

Mrs Villiers: The Labour Government had 13 years to deliver the northern hub but they did not do any of it. We have already committed to delivering a major plank of it—the Ordsall curve.

John Woodcock: The Minister knows that much progress was made in planning under the Labour Government. It is critical to the area that the current Administration finish the job we started and I hope that, in her reply, she will expand on her attitude towards taking the project in parts.

Alison McGovern: Does my hon. Friend agree that it is slightly odd of the Minister to describe us as having had 13 years to deliver the northern hub? The Labour party might have been in government for 13 years, but much of the first half of that time was spent sorting out the mess created by privatisation, and much of the second half was about developing the kind of proposals that we have spent our afternoon talking about.

John Woodcock: My hon. Friend is absolutely right. She knows that we took forward high-speed rail and the High Speed 2 project. We want the project completed by a future Labour Government.

Mrs Villiers: Does the hon. Gentleman recall that only a few years ago, in 2007, the then Labour Secretary of State for Transport, Ruth Kelly, produced a White Paper that ruled out high-speed rail for 30 years? It was the Conservatives who led the debate on high-speed rail.

John Woodcock: Let us see what the Minister says today about taking forward what are Labour's proposals. I want to come on to why it is critical that she strengthen her commitment to the north of England.

Eric Ollerenshaw: In the manner of the debate, it might help if northern Members of all political complexions could keep some consensus about the issue we are trying to debate.

John Woodcock: The hon. Gentleman makes an important point. I am trying to set out the grounds for a consensus. I might suggest that if people did not keep intervening on me—*[Interruption]*—and disagreeing with me, I might be able to make more progress.

David Mowat: Will the Shadow Minister give way?

John Woodcock: I will give way one more time and then I really need to make some progress because I have only 10 minutes.

David Mowat: Does the hon. Gentleman agree that Shadow Front-Benchers have been ambivalent about this issue over the past 18 months? The *Evening Standard* recently stated that Labour had announced:

"a root and branch review of...transport policy with nothing ruled in or out,"

including high-speed rail. Is that no longer the position?

John Woodcock: I do not know whether the hon. Gentleman has been in the House over the past couple of weeks for the important Back-Bench debate on high-speed rail, in which we set out with crystal clarity our support for the project. We were absolutely right to look at the project again in Opposition because it is a major one and will require substantial and sustained investment. We have concluded that we will back the

Government, and try to strengthen their resolve when we think they are not giving enough of a commitment to the north.

Paul Maynard: I am sorry to have to intervene yet again. On Monday, the hon. Gentleman's party announced support for a version of HS2 that would go through Heathrow and up the M40, which was the model that the Conservative party proposed pre-election, so can he confirm that he is not now supporting the Government model?

John Woodcock: The hon. Gentleman makes an important point and I want to get on to it. I hope that I can now get an opportunity to do so.

We believe that the north of England and Scotland, indeed the whole UK, deserve a proper commitment from the Government to a new high-speed line running right up to Manchester and Leeds. Many Members on both sides have made that point today, and I hope that they will support us in agreeing that failure by the Government to legislate for that in one go leaves a question mark over their commitment to jobs and growth in the north. We urge the Government to reconsider, and I hope that the Minister will come back having done so.

The first stage of High Speed 2, as far as Birmingham, is vital transport infrastructure. It relieves the already mentioned congestion and overcapacity on the main line from Euston and cuts journey times to the west midlands significantly. It provides new capacity to shift freight on to rail, and could provide—from the outset, Opposition Members hope—fast links to Heathrow airport from across the country. On that point—as it was raised—the Minister was quoted as saying that our alternative suggestion was unhelpful.

Given the strength of our support for the overall scheme and the widespread unease about the current route, which is shared by many Government Members, I hope that the Minister will make clear what she really thinks in her closing remarks. Does she recognise that linking directly to Heathrow would strengthen the project because it would be cheaper overall than building the proposed route with a separate spur, it would increase the opportunity to lever in private investment in a way that the Old Oak Common proposal does not, and it would generate a complementary benefit for Heathrow by providing a rail substitute for short-haul flights, thereby releasing capacity, and that it is therefore worthy of serious consideration?

The second stages of HS2 beyond the west midlands to Manchester and Leeds would provide benefits that dwarf those of the first stage. The hon. Member for Blackpool North and Cleveleys does not like the word "transformative", but this project could redraw the economic geography of the UK and that is why there is such wide-ranging support for the stages beyond Birmingham, not only from Members, as demonstrated today, but from business groups and local authorities across the north. Once completed, HS2 would bring Leeds and Manchester within 80 minutes of London and 96 minutes of Liverpool. In addition to the tens of thousands of extra jobs, it would create new businesses, new investment, a modal shift from domestic air to rail, more reliable journeys, more frequent trains and more seats, and God knows we need that on the line. A clearer commitment now to the extension beyond Birmingham, would make the business case for HS2 stronger and private sector investment more likely and secure valuable political and business support across the north.

There has been no shortage of warm words from Ministers in recent months, but we need a commitment to one hybrid Bill. There is no need to delay getting spades into the ground on stage one if the Government decide to re-consult and put the route to the north in the Bill.

Nadine Dorries (in the Chair): I remind the hon. Gentleman that the two Front-Bench speakers have a total of 20 minutes, so will he please make this his last minute?

John Woodcock: Absolutely. I was in my final minute. I hope that the Minister will make her commitment to the north clear, as it is currently under question. We know that we cannot start talking about detailed ticketing prices, but when will she agree to begin setting out the funding model as it affects passengers? High-speed rail that only the wealthiest people can afford will never deliver the full potential that communities across the north richly deserve.

3.50 pm

The Minister of State, Department for Transport (Mrs Theresa Villiers): Thank you, Ms Dorries. It is a pleasure to serve under your chairmanship. I congratulate my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) on securing this debate. I am sorry for my coughing fit during his speech; I was moved to tears not by emotion but by the flu. We have had a good debate—well informed, constructive in tone and cross-party—and I thank all hon. Members for their contributions.

On the points raised, the opponents of High Speed 2, who are thin on the ground today, claim that better, faster transport between north and south will pull economic activity into London and suck it out of regional cities. That is defeatist and thoroughly misguided. As my hon. Friend the Member for Warrington South (David Mowat) pointed out in his usual incisive and informed manner, isolation is not the way to ensure that our northern cities thrive. I have every confidence that bringing north and south closer together by shrinking journey times will provide a major boost to growth in the north. That confidence is based on the evidence from our European neighbours, which has been discussed in some detail.

It is not only places served directly by HS2 that will benefit from the project; so will many other towns and cities as trains run off it on to the existing network. From Preston and Liverpool in the west to York and Newcastle in the east, journey times will be reduced and connectivity improved, and the economic boost will be felt across the north of England.

Iain Stewart (Milton Keynes South) (Con): This debate has rightly focused on passenger traffic, but does my right hon. Friend agree that a spin-off benefit is that High Speed 2 will release capacity in the classic network for freight transport by rail, boosting all parts of the United Kingdom?

Mrs Villiers: I agree thoroughly. I will come to that in a moment.

The hon. Member for Blackley and Broughton (Graham Stringer) has been influential not just today but in the general debate on the issue. On the route up to Scotland, the Government are always open to working with the Scottish Government on such proposals. Why did we decide to start in the south rather than the north? As he will be aware, the rationale is that crowding is more serious on the southern leg of the west coast line, but we are anxious to press ahead as quickly as possible. I understand the frustration expressed by my hon. Friend the Member for Warrington South about the pace of delivery, but I emphasise, agreeing with the points made by the hon. Member for Blackley and Broughton, that in order to make progress on the project as quickly as possible, we need to retain cross-party consensus.

I welcome the assurances given by the Opposition in the Back-Bench debate on the Floor of the House, but Labour's decision to propose a new route after the consultation closed was odd. It strikes me as last-minute, and looks suspiciously like game playing. However, I assure hon. Members that all route proposals submitted by the 50,000 people who took part in the consultation will be considered thoroughly.

John Woodcock: The Minister is being clear—well, specific—about the point "submitted to the consultation". Is she saying that our suggestion is being considered or not?

Mrs Villiers: I am saying that all 50,000 responses from the people who took the time to submit them before the consultation deadline will be thoroughly considered.

We see phases 1 and 2 of the high-speed rail project to Manchester and Leeds as the starting point for delivering a genuinely national network, but we should not underestimate the benefits that Scotland will gain from the proposed Y network even before high-speed rail goes north of the border. Trains running off the high-speed line to Scotland will cut journey times to about three and a half hours, producing major economic and connectivity benefits for Scotland, tipping the balance in favour of rail rather than air and providing significant environmental benefits as people switch from planes to trains.

We are not pursuing HS2 just because of the positive economic benefits. The case for high-speed rail rests on the pressing need to prevent big problems that would otherwise be heading down the track towards us. The demand for inter-city transport capacity is growing strongly. If we sit back and fail to deal with the capacity time bomb set to explode within the next 10 to 20 years, we will do lasting damage to our economy. As the hon. Member for Manchester, Withington (Mr Leech) pithily put it, in the end, it comes down to capacity. If we do nothing, our key transport arteries will clog up, choking growth and destroying jobs in the north and elsewhere. It is neither viable nor responsible to sit back, do nothing and hope for the best, as other Governments have done in the face of similar problems. HS2 is not about shaving time off the journey between London and Birmingham; it is about delivering the transport capacity between our cities that is essential if our economy is to thrive in future.

However many times they are tweaked and repackaged, none of the alternatives proposed comes near to matching the benefits that HS2 can offer. None can release the capacity that is crucial, as my hon. Friend the Member for Milton Keynes South (Iain Stewart) pointed out, to the Government's high-speed rail strategy. On the contrary, the options favoured by opponents of HS2 would apply major new pressures to timetables on our existing railways, fundamentally damaging reliability, as the hon. Members for Wirral South (Alison McGovern) and for Manchester, Withington pointed out. They would also involve immense disruption to the line during construction, as my hon. Friend the Member for Lancaster and Fleetwood (Eric Ollerenshaw) discussed.

Turning to the points made by my hon. Friend the Member for Blackpool North and Cleveleys, the Northern Way did effective work. Like him, I want local enterprise partnerships and local authorities to have more of a say in transport decisions. I agree that it can be beneficial for local authorities to come together to make joint decisions about travel to work areas, but we do not want such solutions to be imposed from above. They must be bottom-up and proposed by the areas concerned. Like him and the hon. Member for Blackley and Broughton, I have great admiration for the work done in Manchester to deliver an integrated authority that considers transport issues across the board for a major travel to work area.

I assure the House that investing in HS2 does not mean that we will stop investing in and improving our current transport networks. We recognise fully the importance of continuing to enhance our existing network, particularly by improving links between northern cities, not least because that is essential if we are to spread the benefits of HS2. Despite the deficit, we are undertaking the biggest programme of rail improvements since the Victorian era, many of which will benefit the north. Electrification will benefit Manchester, Liverpool, Wigan and Blackpool. The Ordsall chord project, which has received the go-ahead 30 years after it was first proposed, will benefit Liverpool, Manchester, Leeds, Newcastle and Hull. That is only phase 1 of the northern hub project. Our commitment to it demonstrates how seriously we view its importance and that we recognise the benefits that it can bring. We will assess it and consider carefully, when deciding what improvements can be delivered in the next rail control period, whether we can deliver the whole programme.

The intercity express programme will create new jobs in the north and a brand-new fleet of trains. New Pendolino carriages will be delivered on the west coast in the next few months. Manchester's Metrolink extension is going ahead, and just a few days ago, Burnley and Accrington residents welcomed the fact that funding had finally been secured for the Todmorden curve. We are committed to continuing strong investment in the north of England to help its economy grow, complementing the benefits that will be brought by high-speed rail.

In conclusion, the HS2 consultation received more than 50,000 responses, every one of which will be used to inform the Government's forthcoming decisions on high-speed rail. I welcome the valuable contributions made in this debate.

Nadine Dorries (in the Chair): Will Members please leave the Chamber quickly and quietly?

Loft Conversions

4 pm

Bob Russell (Colchester) (LD): Although I welcome the fact that the Under-Secretary of State for Business, Innovation and Skills, my hon. Friend the Member for Kingston and Surbiton (Mr Davey), will respond to the debate, it could equally have been replied to by a Minister from the Department for Communities and Local Government. The account that I am about to give relates not only to the responsibilities of the Department for Business, Innovation and Skills—from the perspective of consumer protection, company regulation and good business practice—but to those of DCLG in relation to building control and inspection.

Both Departments have responsibilities for tackling cowboy builders, which in this case involves companies associated with a Mr Robin Kiddle. He once had a company called Cavendish Conversions Ltd, but it is now "In Liquidation", as stated on the credit check website, company-director-check.co.uk. Mr Kiddle then formed a new company called Cavendish Loft Conversions Ltd, in what I say was a cunning and despicable way to avoid paying my constituent, Ms Lisa Handley, when she successfully sued his former company.

Alas for Ms Handley, the judgment was against Cavendish Conversions Ltd, not Mr Robin Kiddle. He emerged, phoenix-like, from the ashes of that company to appear as owner of a company with a very similar name, with the insertion of the word "Loft" into the title. With one leap, he was free of the winding-up petition that was granted in August 2006, having been advertised in the *London Gazette* in June of that year. He simply carried on trading in his new guise.

There were insufficient funds in the liquidated company to pay what Ms Handley was entitled to from the winding-up. She estimates that, thanks to the shambolic cowboy building work of Mr Kiddle's company, she is now some £90,000 the poorer, and her home is now unsaleable other than at a huge loss. In its current state, no mortgage company would make a loan.

I am no building expert, but I have visited my constituent's home and I was appalled at what I saw. Even I could recognise that invading the loft space of the adjoining semi-detached house is a serious matter, and something that any self-respecting builder would not do. That also brings into question the laxity of the inspection system, which should be there to protect consumers. More of that later, for that is another area where systems designed to protect consumers have failed in spectacular fashion.

This unhappy saga dates back to October 2004, when Ms Handley and her partner approached Cavendish Conversions Ltd about a loft conversion. The agreed price was £24,750—originally £28,576—on the proviso that £7,000 was paid in cash. Drawings were completed by someone trading as MR Designs, and submitted to Colchester borough council. Work commenced in March 2005.

Seven years have elapsed since Ms Handley first approached the loft conversion company; that is a longer period than the second world war, but in this battle my constituent has been abandoned and let down by all those whom consumers are led to believe are there to protect them. If the Minister tells me that there are statutory measures to protect consumers from cowboy builders such as Mr Robin Kiddle, whatever name he trades under—he is listed as being associated with two other dissolved companies—I have to tell him that they are not effective.

In summary, my constituent and her partner dispensed with Cavendish Conversions Ltd after a litany of criticisms and complaints about the poor and unsafe work carried out on their semi-detached house in Colchester. Detailed records kept by Ms Handley—the box file that I have with me today are just my records of this appalling failure of fairness and justice to my constituent—list a catalogue of failures that bring shame on those responsible for the shoddy workmanship, and for providing protection to the consumer.

In March 2005, Ms Handley made her first complaint to the Federation of Master Builders. Perhaps if it had acted then, we would not today be hearing of nearly seven years of failure of the system that we are told is there to assist consumers and protect them from cowboy builders. In June 2005, she made a formal complaint to the FMB. Much correspondence has followed, including lots of letters sent on her behalf to the FMB and others. I have also tabled parliamentary questions and written to Ministers in both this and the previous Government.

Ms Handley had requested money for remedial works. By then, Mr Kiddle had set up another company, virtually identical in name but with the word "Loft" inserted between "Cavendish" and "Conversion". The original company was liquidated—how convenient! I submit that this was a deliberate move by Mr Kiddle to ensure that my constituent would not be able to extract any money from him, because her legal action was against the company, not him as an individual. It is my contention that that move could in itself represent fraudulent behaviour in breach of the Fraud Act 2006. Essex police have so far declined to take the matter forward. As a result of today's debate, I shall be drawing the matter to the personal attention of the chief constable, to request that it be investigated at the highest level.

Where is the Federation of Master Builders in all this? Cavendish Conversions Ltd was a member of the FMB, but the FMB proved more of an obstacle than a help to Ms Handley when she sought its support. Although I had hitherto always thought highly of the FMB—in many respects, I still do—I have to say that its dealings in this particular case did not constitute its finest hour. To put it bluntly, the FMB proved to be more a defender of its rogue member than a help to the aggrieved consumer. The culpability of the FMB is obvious. As Ms Handley told me, referring to what happened in July 2007 when the regional complaints committee hearing took place,

> "They found no fault with Kiddle or his workmanship or the fact that he had lied and deceived the FMB; and they condoned his conduct."

Ms Handley is a fighter, not a quitter. She took on the FMB with such effect that it eventually felt obliged to strip Mr Kiddle's new company, Cavendish Loft Conversions Ltd, of membership of the FMB. Perhaps this shut the stable door after the horse had bolted, but it is hoped that it will ensure that others thinking of engaging the company in future will notice that it is not recognised by the FMB.

What is extraordinary is that the FMB awarded membership to the new company in clear breach of its own rules, which state that a company has to be in

[Bob Russell]

existence for three years before membership can be considered. In effect, it simply allowed Mr Kiddle to switch membership from a liquidated company, against which there was clear evidence of poor and unsafe work, to a new company. Interestingly, both the liquidated company and the new company were given the same FMB membership number—12901. We can make of that what we will, but I contend that, if the FMB regarded them as the same entity, they should have compensated my constituent, not abandoned her.

Ms Handley asked me:

"Are the FMB fit to be a TrustMark approved scheme operator when they are willing to give such a highly regarded status to a cowboy builder?"

Mr Kiddle's original company was in clear breach of both the Federation of Master Builders code of practice and the Government-endorsed TrustMark standards. An attempt by Ms Handley to involve TrustMark in spring 2006 did not make any significant progress. After this debate, I hope that the Minister will instruct his officials to investigate the body that had responsibility for TrustMark, because it is clear to me that its inept performance was a further example of those in the building industry who have a responsibility—so we are told—to protect the interests of consumers backing the builder, despite the clear and justified complaint made by my constituent. I ask the Minister: who regulates those who have responsibility for allegedly looking after the interests of aggrieved consumers? Clearly, the current arrangements are not working.

Essex trading standards was contacted in March 2008. Sadly, it was not able to help bring about a resolution to the situation relating to Mr Kiddle and his performance. The Health and Safety Executive was also consulted, but a blank was drawn there as well. In December 2008, Mr Kiddle was required, under section 235 of the Insolvency Act 1986, to be subject to an oral examination. Again, it did not produce a satisfactory outcome. Ms Handley told me:

"Kiddle told a pack of lies—he committed perjury."

A year later, there was a further court hearing. I shall return later to aspects relating to a letter that Ms Handley wrote on 25 February 2010 to Lord McKenzie, who was, seemingly, then the relevant Minister, in which she said:

"I possess factual, documented evidence of fraud, abuse of power, misrepresentation, corruption and perverting the course of justice."

I can vouch for the fact that her signature was forged on one document relating to the so-called inspection process, but more on that later.

To confuse matters a little further, in addition to the two companies with the name "Cavendish" that are associated with Mr Robin Kiddle, there is a third company with the word "Cavendish" in its title. This is Cavendish Lofts Ltd, which is not to be confused with either Cavendish Loft Conversions Ltd or the liquidated Cavendish Conversions Ltd. By an amazing coincidence, Cavendish Lofts Ltd is owned by a Mr Eric Anthony Kiddle, who I believe is the brother of Mr Robin Kiddle. By an even greater amazing coincidence, the registered address of the companies run by the brothers Kiddle is the same: Normans Corner, 41 Church lane, Fulbourn, Cambridge. I believe that Mr Robin Kiddle lives in Braintree, Essex.

Mr Robin Kiddle is confused about how many years he has been engaged in the building trade. When I checked his websites this morning, I read on one:

"we are a family run business with over 20 years experience".

However, on another site, the business is said to be a

"family firm with over 15 years experience."

Both are clearly misleading statements, because the company has only been in operation for six years.

The registration date for Cavendish Loft Conversions Ltd is 31 August 2005. That is significant. The company was established after the serious problems with the work on Ms Handley's house emerged, but before legal proceedings were concluded. Cavendish Lofts Ltd, run by Mr Eric Anthony Kiddle, was registered on 16 August 2004. His company states that he is a member of the Federation of Master Builders and

"the new MasterBond and EBC",

whatever those are. No such claim is made by Mr Robin Kiddle in respect of his company but, remember, he had been stripped of his FMB accreditation. Although the brothers operate identical businesses—albeit with different names—from the same address, it is the actions of Mr Robin Kiddle that are central to my debate.

I now come to another organisation that is supposed to protect consumers: the Construction Industry Council. In the case of my constituent, the CIC's performance is just as bad as the FMB's. The CIC seems more interested in protecting the approved inspector, Mr Ron Hilsden, who is trading as RH Building Consultancy, based in Cherry Hinton, Cambridge. Mr Hilsden seems to have failed to notice the shoddy workmanship of Cavendish Conversions Ltd during inspections of my constituent's home. It is in the paperwork associated with those inspections that Ms Handley's signature was forged. That paperwork consists of the initial notice submitted by RH Building Consultancy to the building control service of Colchester borough council with a signature, presumably that of Mr Hilsden, dated 14 February 2005, and the forged signature of Ms Handley, dated 11 February. I am not sure who appointed the approved inspector, but I wonder if it is perhaps more than a coincidence that RH Building Consultancy and Mr Kiddle's company are both based in the Cambridge area.

On 14 December 2009, I wrote to Lord Mandelson, who was Secretary of State for Business, Innovation and Skills at the time, and told him:

"It now transpires that crucial documentation includes a forged signature in the name of my constituent. Despite this, the building industry's regulators have been unable to assist her. They have been shown to be useless in defending the consumer—it is time for the Government to intervene!"

There is further evidence relating to the activities of Mr Hilsden that perhaps should be the subject of an independent investigation—not one carried out by the CIC, whose performance in this matter falls well short of giving my constituent and me any confidence. For example, it failed to address matters relating to the Building Act 1984. There is a serious suggestion that offences have been committed, and Ms Handley is prepared to give evidence in support of that contention.

There is obviously a lot of detail associated with what has transpired over the past seven years that time does not permit me to mention. That said, my constituent is

prepared to make herself available—I am prepared to make myself available, too—to any investigatory body that the Minister feels should look into the whole situation. Clearly things have gone seriously wrong with the way that Mr Robin Kiddle has been operating his separate loft conversion companies with confusingly similar names. The following matters need consideration: the manner in which he has avoided paying to put right the appalling shoddy work carried out at my constituent's home; the prospect of the police being called in to review the manner in which the first company went into liquidation; and the abject failure of the bodies with responsibility for protecting consumers. In the case of Ms Handley, those bodies have not done the job that they are supposed to do.

As Ms Handley said in a heartfelt letter that she wrote to the then Prime Minister on 15 November 2009:

> "I am a victim of a rogue builder, a corrupt approved inspector and an even more corrupt system operating under the guise of offering quality workmanship and consumer protection when nothing could be further from the truth".

Later in her letter, she told the Prime Minister:

> "I have been the victim of fraud, corruption, blatant cover-ups and perverting the cause of justice from the builder through to central Government. Why are my human rights, as a private citizen of this country, being so easily dismissed? Why are laws on the statute books being so easily flouted and ignored? And why are senior officials within the Construction Industry Council getting away with allowing their members to break the law whilst they go to any lengths to cover it all up?"

Minister, I trust that today's debate is not the end of the matter. Serious issues have been exposed in what I have said this afternoon. They need to be seriously investigated. My constituent Ms Handley and I are available to help with such an investigation.

4.15 pm

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): I thank my hon. Friend the Member for Colchester (Bob Russell) for bringing this matter to the House and securing the debate. It certainly gives me a chance to put on the record our view about consumer protections. Clearly, he will be aware that I am not au fait with all the details of his constituent's case. The record will show that my hon. Friend has referred to his box file, which could no doubt add to my weekend reading. However, I would welcome his writing to me with a summary of the proposals, possibly providing a bit more detail than he has had time to do today. Although I cannot say that there will be a formal investigation, I will at least look at the matter with my officials and provide him with some comments that I hope he and his constituent will find helpful. I will take a dispassionate but constructive approach to the problems that he has raised.

Like him, I have constituents who have had problems with, shall we say, cowboy builders, who disappear and are difficult to trace or who reappear in a different form. The Secretary of State has raised the matter in the past, and we are therefore minded to consider what can be done in terms of consumer legislation and the consumer framework. My hon. Friend recognises that no law or framework can deal with absolutely every single circumstance, but we clearly need to improve things. I hope that he will not take what I will say today as being complacent and that he will recognise that we are trying to develop the strengths of the existing system and to improve it where we can.

My hon. Friend knows that loft conversion work comes under general consumer legislation covering the construction industry. He also knows what an important role the construction industry plays in our economy and how many of the business people in that sector are honest traders who do a fantastic job, many of whom have small businesses. He has given an example of a builder who appears to have been trading in a dishonest manner. Obviously, I will need to look at the details of the case before I can comment further, but we are aware that a small minority of builders apply their trade in a dishonest way and deliberately target specific groups of consumers—for example, vulnerable consumers and the elderly—and we therefore need protections.

Bob Russell: I point out that Ms Handley is a very articulate person and is not a vulnerable person. I am concerned that she could be duped in that way. What the Minister says is right, but if a very articulate person can be duped, we are talking about serious issues.

Mr Davey: From the way in which my hon. Friend has articulated his constituent's case, it is clear that his constituent is a very capable lady who can fight her corner. However, I am sure that he accepts the point that we need to ensure that vulnerable consumers are protected in the regimes that we design, because if can protect vulnerable consumers, we are much more likely also to support those who are more articulate.

We must take a multi-pronged approach to protecting consumers in the broadest sense. The new Government have taken an approach that seeks to empower the consumer and make sure that they have all the relevant assistance from organisations to get the right information, so that they can make the right choices. The matter cannot simply rest there. We must have a legislative framework, which, of course, there is. The question is whether that framework can be reformed. We currently have the Supply of Goods and Services Act 1982, which requires traders to provide the services being offered with reasonable care and skill, in a timely manner and at a reasonable cost. However, the Government are examining how that law might be modernised and simplified, so that consumers can have a clearer understanding of their rights and a greater awareness of their right to redress when they have experienced shoddy workmanship or have paid for goods that turn out to be defective.

On 19 September, I announced that, subject to consultation, we hope to introduce a consumer bill of rights, which will bring together 12 separate pieces of legislation to try to achieve those objectives. The 1982 Act is accompanied by other measures to protect consumers from unfair selling in their homes. Builders, including those undertaking loft conversions, fall within their scope. The Cancellation of Contracts made in a Consumer's Home or Place of Work etc. Regulations 2008 give consumers the right to cancel a contract that they have signed without penalty within seven days. That cooling-off period is a valuable protection. It may well not have applied in the case presented by my hon. Friend, but he will understand that it is an important part of the protection framework.

[Mr Davey]

In addition to empowering consumers and having a legislative framework of consumer protections, there are enforcement bodies. It is important to ensure that enforcers, such as the Office for Fair Trading and local authority trading standards officers, have the right tools at their disposal to deal with dodgy builders. The Consumer Protection from Unfair Trading Regulations—known as the CPRs to those, such as myself, who write lots of letters about them—give enforcement bodies more effective means of tackling unscrupulous practices and rogue traders. That was a welcome reform introduced by the previous Government. CPRs can be used to ban traders in any sector from unfair commercial practices against consumers, particularly in relation to the sale and marketing of services. The regulations also ban any commercial practices that use harassment, coercion or undue influence that is likely to impair significantly the average consumer's freedom of choice in relation to goods or services.

Taking those various measures together, there is a robust legislative framework. However, I have indicated that we want to reform it, because it is clearly not perfect. We also support a project being undertaken jointly by the Law Commission and the Scottish Law Commission, which is examining how private law might be reformed to provide consumers with a simple, clear right of redress where they are the victims of misleading or aggressive selling. We have also given funding this year worth £3.2 million to scambuster teams, so that they can continue the fight against rogue traders. We maintain their funding, despite the difficult financial circumstances, because we want to chase these rogues down.

Bob Russell: That is all very well. This situation involved a company knowing that it was going to be taken to the cleaners and going into liquidation, and the owners starting up another company and carrying on as if nothing had happened. Where is the legislation to deal with that?

Mr Davey: There is legislation, and the Insolvency Service, for which I am the Minister responsible, can take action in certain circumstances. One reason why I invited my hon. Friend to write to me is to consider what action could have been taken in that case. The Insolvency Service targets cases of misconduct or criminality and submits reports to the court for disqualification of directors for terms of various years based on the seriousness of the offence. I had a case in my constituency that was not dissimilar to my hon. Friend's, and that was the route that we were advised to go down.

As I do not know the details of my hon. Friend's case, it is difficult for me to comment further, or indeed pass any judgment, on what has happened. However, that is why I started my remarks by inviting him to write to me with a synopsis of the case to see how it could potentially have been dealt with in a different and more successful way.

In the remaining time left to me, I want to touch on TrustMark, which my hon. Friend mentioned in his speech. It is sometimes difficult for consumers to know whether a builder is entirely genuine and can be trusted. For extra peace of mind when people are looking for tradespeople, the TrustMark scheme has been developed as a form of accreditation. It is a fairly easy way for consumers to identify a builder who has agreed to abide by industry standards for competence and fair trading, and to be independently inspected to ensure that they are meeting these standards.

In his case, my hon. Friend explained how the Federation of Master Builders, which I assume—I am not absolutely sure from his remarks—was accredited by the TrustMark scheme in this case, appears, from the remarks that he has made, not to have taken the action that he and his constituent wanted it to take. Again, one needs to look at the detail before making a judgment on exactly what happened. However, TrustMark scheme operators, such as the FMB, are required to investigate complaints against tradespeople and can de-list traders where it is found that traders are not up to the required standard. In many cases, TrustMark can carry out that role in addition to other schemes, such as the competent persons scheme and those operated by other trade bodies. It is, therefore, an important body in the building industry.

I do not know about the involvement of TrustMark and whether it investigated how the FMB dealt with the complaint. That is one of the reasons why I invited my hon. Friend to write to me, so that we can have a look at the details of his case. Clearly, the TrustMark scheme, which I think is valued and highly thought of by many people, needs to ensure that, if cases are brought to its attention, they are dealt with in a proper fashion, which is the way forward. The TrustMark scheme has an important role to play, and it is therefore important to ensure that it retains the confidence of consumers and those in the industry.

I hope my hon. Friend feels that I have dealt with his case. I have given him the chance to contact me personally, and he has given me the chance to describe the overall system that is in operation to support consumers.

Carbon Monoxide Poisoning

4.27 pm

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Ms Dorries. I feel privileged to be able to introduce a debate on the Government's policy on preventing carbon monoxide poisoning.

I think you will agree, Ms Dorries, that many of the best campaigns in this House derive from constituency experience and the constituents who come to us with particular problems. About 10 years ago, a little boy, Dominic Rodgers, was found dead in bed by his mum, Stacey Rodgers. He had died from carbon monoxide poisoning. He was 10 years of age. He had been killed by a faulty boiler in a house next door—the gas had leaked across from one premises to the next. At that time, I promised that young lady that I would never give up campaigning against unnecessary deaths by carbon monoxide.

Over the years, through the all-party parliamentary gas safety group and in other ways, we have had a constant campaign to try to reduce the number of deaths and serious injuries from carbon monoxide poisoning. Many people do not realise how prevalent they are. The group has just had a major inquiry, chaired by Baroness Finlay. The latest statistics found in evidence that, every year, approximately 4,000 people are diagnosed by accident and emergency departments as having been poisoned by carbon monoxide. If they were poisoned by carbon monoxide, that means that they could have died from it.

I was talking to a casualty surgeon this week, at the launch of the Baroness's report. Simon Clarke, an accident and emergency consultant from Frimley Park hospital, said that the other week he had a young woman come in who was not dead but severely affected by carbon monoxide. The two budgerigars in the house, however, were dead. Interestingly, I read a recent report that people do not keep budgies and canaries much these days—except in this case. The old use of the canary in the mine was to prevent the miners from being trapped by rising carbon monoxide.

Carbon monoxide poisoning is a very real problem that we face in this country. Many people do not recognise it because it is a silent killer—carbon monoxide is odourless and we cannot tell when it is around. The poisoning symptoms are tricky, and people might feel that they have a heavy cold or the flu. They might present themselves to their GP or even to A and E, but be sent home to the very environment that can kill because the symptoms are not recognised. We need a fully trained work force carrying out regular inspections in rented and owned property in this country.

When I started campaigning, the real problem was student accommodation, particularly if not very good landlords had not inspected the gas appliances, which became neglected and ceased to work properly. Time and again, we read of tragedies involving students dying of carbon monoxide poisoning. The regulations were changed, and landlords now have to inspect their property annually and have the appliances in such accommodation checked every year. What a fantastic lifesaver! We now rarely hear of students or people living in rented accommodation suffering from carbon monoxide poisoning. Yet that regulation does not apply to ordinary people's homes.

We are keen on warm zones and green zones and all the good things we do to insulate our homes, such as having double or triple glazing, cavity wall insulation and thicker stuff in our lofts or attics, to make our little domestic idylls warm and cheap to heat. At the same time, however, we block out all the draughts and incoming fresh air which, often, saved us from carbon monoxide poisoning in the old days. Both this Government and the previous one had programmes to improve people's ability to keep warm at low cost, but at the same time we added to the danger because less fresh air was coming in. This week in London—they are still in the city I think—we had a wonderful couple, Ken and Kimberly Hansen, whose young daughter of 17 died of carbon monoxide poisoning two years ago when she was at a sleepover at a friend's house. Ken and Kimberly are from Buffalo, in up-state New York, which gets very cold in winter. As our winters get colder, we will have the same problem, with people again trying to keep warm and cut down energy bills but not venting through chimneys any more, so when it gets cold they block off that bit of air that seems to cause a draught in the apartment or house and then, of course, the carbon monoxide kills.

Deaths can also be caused when people to whom we refer, probably disrespectfully, as "cowboys" are not properly licensed to attend to gas appliances in the home such as boilers and other vectors.

We are considering not only gas but solid fuel, such as wood burning stoves or barbecues. My next-door neighbour the hon. Member for Colne Valley (Jason McCartney) will be saying something about barbecues, because he lost a constituent who used a barbecue on a camping holiday only this year. All forms of gas—propane, bottled gas, liquefied petroleum gas—kill people as well, with approximately 50 deaths a year from all sources, of 4,000 reported cases in A and E.

If people go on holiday—to France—they should take a portable gas detector. I do not have a portable one with me, but one for the home, which is still quite small. In France, there were 200 deaths last year from those little gas heaters that the French are so fond of in their bathrooms and kitchens. An early-day motion tabled by the all-party group, appropriately in July, was intended to make people aware of what was happening.

Carbon monoxide poisoning is a great danger to our constituents. What we really want is regular servicing by properly trained engineers, and that annual check in all homes if we can have it. If we cannot have that, in the short term, we really need a detector in every home—such detectors are cheap. I sometimes ask the financial and insurance community why on earth a home insurance policy would be given without a detector in the home. The detectors can cost as little as £15 to £25, and they should be given to everyone who buys a home insurance policy or gets a mortgage. Forty-five thousand people a month in the spring and summer change their house, so why does a detector not go into a house every time one changes hands? I would like dual use with a smoke alarm, but a detector alone would be a great lifesaver. We have run the campaign for 10 years and I have become very intolerant of the slow approach. We want the detectors in the short term—now.

[Mr Barry Sheerman]

Tomorrow, with my colleagues and on an all-party basis, I shall promote a symbolic Bill, which privately I call Dominic's Bill after the little boy who died in my constituency, to demand a carbon monoxide detector in every home in the United Kingdom. That would save us from many deaths and many cases of poisoning through carbon monoxide. I have to tell you, Ms Dorries—I know of your interest in health—that even cutting down long-term exposure that is not fatal would be a great breakthrough, because all the research shows that any exposure to carbon monoxide influences health and ability to function and can damage brain function.

I do not want to detain the Chamber, except to say that the campaign came from constituents and from a brave young woman, Stacey Rodgers, who instead of turning in on herself and destroying herself as many of our constituents do when they have a tragic loss, started campaigning, as did that American couple. She has been campaigning for 10 years, going into schools and doing something; there is no one better than her at explaining to young people the dangers of carbon monoxide poisoning.

In a sense, we have reached a day of celebration, in that the "Preventing Carbon Monoxide Poisoning" report came out on Monday, and Baroness Finlay should be given all the credit for it, although there was also the work of the people who gave evidence. The Minister had input into the report, so he must pretty much approve of the 17 recommendations and I hope that he will take them on board. I also hope that he will look at our Bill. Let us get some action. Let us cut the deaths and the exposure to carbon monoxide, and let us do something practical for the short and the long term for our constituents.

Nadine Dorries (in the Chair): May I check with Mr Sheerman and the Minister that it is okay for Mr McCartney to speak—you have cleared it?

Mr Sheerman: We agree to that—we plotted beforehand.

4.38 pm

Jason McCartney (Colne Valley) (Con): It is a pleasure to serve under your chairmanship, Ms Dorries. Thank you for allowing me to speak in this important debate about a topic that involves saving lives. I pay credit and honour to my hon. Friend the Member for Huddersfield (Mr Sheerman), whose constituency adjoins mine and who is co-chairman of the all-party gas safety group. We have both, tragically, had the deaths of constituents from carbon monoxide poisoning, the most recent occurring only this summer.

A number of carbon monoxide incidents in the country and throughout Europe were caused by the inappropriate use of barbecues. Barbecues were used in tents or under awnings, which perhaps seems practical when it is raining, but people were not aware of the carbon monoxide implications. The result was tragic for Hazel Woodhams from Slaithwaite in my constituency near Huddersfield. She was on a camping holiday in Norfolk when she died. The charcoal barbecue that had been used to cook on had filled the tent with carbon monoxide overnight—it had been brought inside the tent to keep it dry overnight. Her partner was also poisoned. He is still on sick leave after nearly losing an arm due to poisoning, and his kidney was damaged as well.

Even when people are aware of the dangers of carbon monoxide, they often associate them with appliances in the home and are unaware of the deadly carbon monoxide that barbecues can produce. Portable barbecues and charcoal packaging usually include a warning not to burn a barbecue indoors, but most do not give an explanation why. People may believe that it is due to the risk of fire, but they may not be aware of the deadly risk of carbon monoxide poisoning. A clear, meaningful warning would help draw the consumer's attention to the potential hazard.

I will finish my contribution to this important debate by asking the Minister whether he agrees that retailers selling barbecues for boating or camping have a duty to warn customers of the dangers of carbon monoxide. Will he help us and the all-party group on gas safety to promote the use of carbon monoxide alarms at the point of sale of barbecues?

4.41 pm

The Minister of State, Department for Work and Pensions (Chris Grayling): It is a pleasure to serve under your chairmanship, Ms Dorries. I start by paying tribute to the hon. Member for Huddersfield (Mr Sheerman) and my hon. Friend the Member for Colne Valley (Jason McCartney) for the work that they and the all-party group have done. The commitment that the group has shown, both in producing the report and in raising awareness of the dangers, is enormously valuable.

As the hon. Member for Huddersfield said, this is an area where MPs working away over a period of time can genuinely influence change, as they clearly have done already. On a personal note, the first thing I did after visiting the all-party group last year was buy a carbon monoxide alarm, so I echo his comments about the desirability of doing that. I am sympathetic to the comments made by my hon. Friend the Member for Colne Valley about retailers, and my officials and I will look at what options are available to us.

We are very much aware of the threat that carbon monoxide poisoning can pose to people in their own homes, and of the devastating impact it has on people's lives when things go wrong. Both Members spoke movingly about the terrible consequences of getting this wrong, and about the twin tragedies in their constituencies. I suspect that we would find similar tragedies in constituencies up and down the country. It is a tragic waste, often of a very young life, when such tragedies occur. That is why we are committed to supporting a range of measures taken by industry, health care professionals and others to prevent such tragic incidents occurring. That includes ensuring that we have appropriate regulation. I am not always a great fan of regulation, but regulations to ensure that we have properly trained gas engineers are entirely appropriate, as is raising public awareness of the dangers of carbon monoxide poisoning and working to improve early diagnosis of the symptoms. We wish to see that built into the training for any professionals.

There is a well-established, strong regulatory environment in relation to gas safety and exposure to carbon monoxide. It is a legal requirement that installation and maintenance of gas appliances be undertaken only by a suitably qualified and Gas Safe Register engineer. There are also legal requirements placed on landlords to ensure that

they exercise a duty of care over their tenants. That is absolutely right. An annual check of gas fittings and appliances is required, and appliances must be maintained in a suitable manner. Those measures are important in providing protection for the public. When they have their boiler fitted or checked, they can be assured that it is done by a competent and properly trained professional. If that does not happen, the consequences can be devastating for the lives or welfare of individuals and families, as we know from too many bitter experiences.

Mr Sheerman: It should be on the record that we do have a system. Unlike New York state—we were talking about comparisons only this week—we have a regulatory framework, which is delivered by the Gas Safe Register. However, the Minister is aware of how many cowboys are out there. They are not registered; they do work on the side, and they do it very badly. We must be aware of the many who hire such people.

Chris Grayling: The hon. Gentleman is correct. We have shifted the Health and Safety Executive's focus away from monitoring low-risk, unproblematic business areas so that it can concentrate more of its efforts on the rogues out there in a whole variety of sectors. Our regulatory regimes should focus on the people who act as cowboys, as the hon. Gentleman says, not simply in one area but in a variety of areas. That is where we must make a difference.

Gas Safe Register operates the statutory registration scheme for gas engineers. There is now a good kitemarked list of registered engineers. We have the highest ever total of people—more than 130,000—now on the list. It is quick and easy to find a Gas Safe Register professional who can do the job in a proper, effective way. There is no need for anyone to turn to a cowboy, but that does not mean that it does not happen. There are industry-backed schemes for other fuels such as oil, and there is the heating equipment testing and approval scheme for solid fuels. That enables consumers easily to find professionals with the appropriate qualifications, so that they can make sure that fittings are safe.

Mr Sheerman: Will the Minister take on board what one of the witnesses who gave evidence to the inquiry under Baroness Finlay told us when I was part of the team? He told us that things may look good on paper, but he knew of cases where someone who was a taxi driver one month was a gas fitter a month later after satisfying the gas-fitter regulations.

Chris Grayling: There are often anecdotes, but it is always difficult to know how substantial they are. I believe that we have a good system. I do not claim that it is flawless, because I do not think that such a system has yet been invented by mankind. Clearly, it is important to ensure that the training provided is of an appropriate quality. That does not mean that people cannot change careers, but I accept the hon. Gentleman's point that people who make such career changes need to have the appropriate skills, particularly in such a sensitive area.

The message to the public is simple and compelling. We can avoid the devastating consequences that the hon. Gentleman and my hon. Friend the Member for Colne Valley described by using people who have the requisite skills, training and certification. In that way, families can be certain that the person who has done the job is not operating in an unregulated environment. It is certainly not sensible to hire cowboys, as the hon. Member for Huddersfield rightly pointed out.

Of course, as we have heard today, and as we see in the report, there is a big challenge to get the message out. One of the report's contributions was to underline again the nature of the challenge in building awareness of the issue. We have made good progress with smoke alarms, but we have much further to go with carbon monoxide alarms.

Mr Sheerman: It is worrying; we have smoke alarms in 85% of homes, but the figure for carbon monoxide detectors is still languishing at 18% or 19%, which causes serious concern.

Chris Grayling: It does, and that is why the work done by the Gas Safe Register organisation is tremendously important. We have given it the task, as did the previous Government, of running communication campaigns and undertaking other activities to encourage the use of its services to raise awareness of the dangers. There have been major campaigns targeting particularly vulnerable groups, and we recently had the first gas safety week. Also, there are other influences. The hon. Gentleman will have seen the recent "EastEnders" storyline relating to carbon monoxide poisoning. If we can get that kind of media penetration into the public consciousness, we have a real chance of building awareness in a way that Governments struggle to do. Something that people see in a soap opera on a Tuesday night has much more impact.

Mr Sheerman: The Minister is generous in giving way. One of the first campaigns that I got involved with in Parliament was on seat belts, and I organised and drove through legislation on that. This is a good moment to mention Jimmy Savile, who sadly died the other day; he was a great part of that campaign. However, even despite "Clunk-click, every trip," and all the television advertising, we never got more than 35% of people wearing seat belts. Wherever we advertise, and regardless of "Coronation Street", "EastEnders" or whatever, we will not increase the number of people using gas detectors unless we bring in regulation. Is the Minister willing to consider legislating for every home to have a detector?

Chris Grayling: We have rules relating to landlords and tenants, and I would be happy to consider such a measure in those cases. It is difficult, however, for Governments to instruct the public about what they should do in their houses, and we do not have such regulations for smoke alarms. I will certainly take the hon. Gentleman's point away and give it due consideration.

Mr Sheerman: Is there not an alternative? I know that the Government do not like regulation, but could it not be put in law that a house could not be insured unless it had a gas detector? That would make insurance companies deliver on the measures that I have suggested. As I say, why should insurers and big mortgage providers not ensure that every home has one of these cheap items?

Chris Grayling: I praise the hon. Gentleman for his work in encouraging insurance companies to act, but it becomes quite problematic if Governments start instructing insurance companies in law, and telling them what they should put in their policies. I have a lot of sympathy with the hon. Gentleman, but it is about the degree to

[Chris Grayling]

which coercion is used and measures are imposed on society. This issue is one of many challenges that society faces when it comes to the health and welfare of individuals, and we must decide where to draw the line between regulation, advice, guidance and encouragement of the kind that is provided in various campaigns. I am not giving him an absolute no, but I am not sympathetic to the idea of an all-encompassing regulation. It is difficult to legislate against all the different risks to society.

Mr Sheerman: The Minister and I work well on these issues, but let us return to seat belt legislation. Would he remove the regulation on seat belts for adults?

Chris Grayling: No, I would not.

Mr Sheerman: A lot of people were against it.

Chris Grayling: A lot of people were, but I would not change it. We introduced seat belt regulations for the back seats of cars. The issue is about where we stop legislating against risk in society, and where we start. As for my preference, on such issues, particularly when we are talking about requiring people to have something in their homes, I am instinctively in favour of the work done by the hon. Gentleman and the all-party group to encourage people to do things differently.

As I have said, I will happily look at all the recommendations in the report, and I have listened to what the hon. Gentleman has said today. We will also look at whether there are further things that we can—and should—do. Work is already under way on some of the conclusions in the report, and that is right and proper. We share the common objective of trying to ensure that people do not tragically lose their lives through carbon monoxide poisoning. The question is how best to do that, and the work carried out by the hon. Gentleman and his group has given the Government a timely reminder about a number of other things that they might consider doing.

Mr Sheerman: A real opportunity is coming up with the green deal; 27 million homes will be improved with Government help and money. The Minister of State, Department of Energy and Climate Change, the hon. Member for Bexhill and Battle (Gregory Barker), was helpful and amended regulations on the green deal—well, they were amended in the House of Lords—to ensure that if a house becomes airtight as a result of the green deal, it will be obligatory to put a carbon monoxide monitor in it. We will soon see a change in the way we look at homes in this country, because smart metering will provide a chance for every house in the country to look at how its energy is provided.

Chris Grayling: The hon. Gentleman makes some sensible points. I have committed to looking carefully at all his comments and recommendations, and at the content of the report. I will not give him an instant reply, but I share his objectives, and we should try to mitigate the risk of carbon monoxide poisoning whenever possible and prudent to do so.

I join the hon. Gentleman in paying tribute to his constituent. When I attended a meeting of the all-party group last year, I saw a number of people from different areas who have engaged with this issue because of tragedies that they have suffered. We owe it to those people to look at the best ways to ensure that such tragedies do not happen to other households and families. I give the hon. Gentleman a commitment that I will look carefully at all the recommendations in the report and at his comments this afternoon, and consider further sensible and prudent measures that can be taken to reduce the likelihood of tragedy striking elsewhere.

We must also look at the health care arena. The hon. Gentleman made the point that early diagnosis in an A and E department or a doctor's surgery is extremely important in ensuring that somebody who has been exposed to carbon monoxide is helped, and that their condition does not become worse so that they potentially lose their lives.

It is crucial that medical professionals are aware of the risks and symptoms of carbon monoxide poisoning, so that they can provide early and effective diagnosis. A lot of work has already been done to increase that awareness and knowledge. Three years ago, in 2008, and again earlier this year, the chief medical officer and nursing medical officer wrote directly to all GPs and accident and emergency consultants about carbon monoxide poisoning. Those messages also contained an algorithm developed by the Health Protection Agency to aid diagnosis. Similarly, earlier this year guidance was issued to smoking cessation clinics on the detection and diagnosis of carbon monoxide poisoning from sources other than smoking. Just last month, GPs and other health professionals were alerted to the new estimate of the number of people who attend A and E departments each year displaying signs of carbon monoxide poisoning. There is, therefore, a concerted and ongoing programme to raise awareness and keep the issue on the agenda for front-line health care professionals. That is an important part of the support and strategy that the hon. Gentleman and his colleagues on the all-party group believe need to be implemented.

Much has already been done, and the hon. Gentleman has had considerable influence in this area over the years. We recognise, however, that there is more to do, and that continued efforts are required to prevent tragedy striking as a result of carbon monoxide poisoning. The group's recommendations in the report are enormously helpful, and we will consider them carefully with our officials. As I have said, some of the recommendations are already in place, and work is being done to make changes. New thoughts and ideas will be considered carefully as a team, and we will respond in detail on issues that have been raised, setting out what we believe we can and cannot do. We intend to do everything that we can, and we recognise the importance of the issue.

Mr Sheerman: I will give one last little prod, which I know is not necessary because the Minister is a good colleague on these matters. Carbon monoxide detectors carry VAT, as do flue gas analysers. I know that it is difficult to remove VAT, but it would be a step forward if people did not have to pay that tax. Would the Minister's colleagues in the Treasury consider that? These days, a lot of our constituents are in much more danger of carbon monoxide poisoning when they travel to France and other countries. I know it is difficult, but is the Minister talking to the European Union and the European Commission about what is being done to protect people in other parts of Europe?

Chris Grayling: I think the hon. Gentleman will have to talk to the Treasury on the tax front. I would like to sort things out in this country first, but I will ensure that the hon. Gentleman's message filters through to Brussels.

Question put and agreed to.

4.59 pm

Sitting adjourned.

Westminster Hall

Thursday 3 November 2011

[MR ROGER GALE *in the Chair*]

Shale Gas

[Relevant documents: Fifth Report from the Energy and Climate Change Committee, Session 2010-11, HC 795, and the Government response, HC 1449.]

Motion made, and Question proposed, That the sitting be now adjourned.—*(Charles Hendry.)*

2.30 pm

Mr Roger Gale (in the Chair): I will explain the process for the debate this afternoon, which is slightly unusual because we have two reports. We have agreed—I hope that Members present will approve—to split the debate in two, although not necessarily into two equal halves. I understand that the first report may attract more comment than the second, and on that basis I am prepared to let the first debate run for slightly longer than might otherwise have been the case. The second debate will therefore be slightly shorter; I hope that is okay. In such cases, the convention that a Member may speak only once falls by the wayside. As we will treat our proceedings as two debates, I am perfectly content for Members who have participated in the first debate to contribute also to the second, should they choose to do so. I trust that whoever takes the Chair at 4 o'clock will feel the same. If that is not clear, hon. Members should ask and I will clarify the matter further.

Mr Tim Yeo (South Suffolk) (Con): Thank you for that clarification, Mr Gale. I know that it will be welcome to members of the Energy and Climate Change Committee, who regard the reports as separate and would prefer to have two separate debates, and it is helpful of you to accommodate us. I shall begin by drawing attention to my entry in the Register of Members' Financial Interests regarding a number of businesses that relate to the energy and transport industries.

I am pleased to have this debate; its timing could hardly be better and it is almost prescient in its choice of subject. Since the Committee published its report on shale gas last May, the subject has become even more topical. Potential UK reserves now appear to be much larger than first thought, and the conclusions of the team that investigated the seismic events—what I would think of as earth tremors—were also published this week. This debate gives us the chance to address concerns about the potential impact of shale gas development, and to consider those concerns in the context of the fact that enough shale gas reserves may exist in the UK to make the country self-sufficient in gas supplies once again, possibly for a long time.

Like conventional natural gas, shale gas is mostly methane. In conventional gas exploration, when a well is drilled into the formation in which the gas is held, the gas comes to the surface under pressure. In the case of an unconventional gas such as shale gas, the gas remains trapped in the pores of the rocks. To create a pathway for the gas, the rock is fractured by injecting large volumes of high-pressure fluid—mostly water but with sand to keep the fractures open—and chemicals to reduce the friction of the fluid in the well pipe, and prevent anything from growing in the well. That process is known as hydraulic fracturing and has been going on for many decades, particularly in the United States. There are, however, concerns that the chemicals used in hydraulic fracturing, and the methane released from the shale formation, could get into underground water aquifers—those concerns have been well publicised. The Committee's report addressed that and other issues directly, and made several recommendations.

In particular, we noted that,

"hydraulic fracturing itself does not pose a direct risk to water aquifers, provided that the well-casing is intact before this commences. Rather, any risks that do arise are related to the integrity of the well, and are no different to issues encountered when exploring for hydrocarbons in conventional geological formations. We recommend that the Health and Safety Executive test the integrity of wells before allowing the licensing of drilling activity."

We also recommended that,

"the Environment Agency should insist that all companies involved in hydraulic fracturing should declare the type, concentration and volume of all chemicals they are using."

That practice is not universally followed in the United States.

The report continued:

"We recommend that before the Environment Agency permits any chemicals to be used in hydraulic fracturing fluid, they must ensure that they have the capabilities to monitor for, and potentially detect, these chemicals in local water supplies."

Finally, we recommended that both the Department of Energy and Climate Change and the Department for Environment, Food and Rural Affairs,

"ensure that the Environment Agency monitors randomly the flowback and produced water from unconventional gas operations for potentially hazardous material that has been released from the shale formation. In order to maintain public confidence in the regulators—and in the shale gas industry—we recommend that both water and air be checked for contamination both before and during shale gas operations."

Yesterday the Environment Agency published a follow-up to its evidence to my Committee, which included data from samples of flowback fluid—the fluid that returns to the surface through the drilled well—that the agency has taken over the past six months at the Preese Hall site operated by Cuadrilla. It stated: "We have found that the flowback fluid contained high levels of substances dissolved from the rocks such as chloride, sodium, iron and dissolved materials. They also contain very low levels of naturally occurring radioactive minerals, principally radium-226, at levels similar to those found in granite rock. At the levels found, we would not anticipate any threat to human health or the environment. The results of this analysis have to be viewed with caution; they are only indicative of the radioactivity present."

Maintaining the confidence of the public—again, something that has not been universally achieved in the United States—is absolutely essential if UK shale gas reserves are to be exploited. Cuadrilla is sensitive to that, and I urge it to continue its policy of engagement with the local community, and to be as open as it can about its activities, the materials it uses, the practices it follows and so on. Such an approach is even more necessary in light of the seismic events that have occurred since the Committee visited the site earlier this year.

[Mr Tim Yeo]

In connection with those seismic events, members of the Committee also visited Texas and had discussions in Washington DC with regulators, legislators, industry representatives and environmental groups. We discussed the induced seismic events that occurred in Arkansas, which related to the underground injection of waste water generated from shale gas exploration and production elsewhere, rather than from a process of fracking. In evidence from the Geological Society, the Committee was told that induced seismicity is not thought to be a significant risk in the UK. During oral evidence from Professor Richard Selley, a petroleum geologist at Imperial college, we asked whether there is evidence to suggest that mini-earthquakes could happen as a result of fracking. He told us that individual claims often produced what is called the Francis Drake effect; they show something that was already there but the oil company gets the blame.

The tremors near Blackpool on 27 May had a magnitude of 1.5, and those on 1 April a magnitude of 2.3. Cuadrilla responded by postponing any further fracking operations while the British Geological Survey shared seismic data on the events with Keele university and DECC. The British Geological Survey issued a press release and stated that fracking may have been the cause, although it added:

"It is well established that fluid injection can induce small earthquakes...We would not expect earthquakes of these relatively small magnitudes to cause any damage."

To put that into context, the European microseismic standard classifies a magnitude 1 earthquake as one that is not felt, a magnitude 2 earthquake as scarcely felt, and a magnitude 3 earthquake as weak. A quick inspection of the British Geological Survey's seismology webpage shows that, in the past month, the following earthquakes have taken place in the United Kingdom: Caernarfon, magnitude 1.2 on 24 October; Shrewsbury, magnitude 1.1 on 22 October; the northern North sea, magnitude 3.5 on 21 October; and Glen Sheil, Highland, magnitude 2.4 on 20 October. There were several others, the details of which I will not bother to read out to the Chamber, but that shows that a range of such events is occurring almost every week.

Small-magnitude earthquakes are by no means uncommon in the British isles. Nevertheless, any potential correlation between one of these events and hydraulic fracturing activity must, of course, be examined carefully. The report published yesterday concluded that Cuadrilla's activity triggered—the word used was "triggered" rather than "caused"—very low level seismic activity and that that posed no identifiable threat to people or property in the nearby area. The report concluded that it was a unique series of events and circumstances; 850,000 wells have been explored around the world with virtually no similar events recorded.

The seismic activity was caused by a very unusual combination of factors, including the specific geology of the well site, coupled with the pressure exerted by the injection of the hydraulic fracturing fluid. The Preese Hall-1 well encountered a critically stressed fault, requiring just a small energy input to initiate seismic activity. The fault was sufficiently porous to accept a large volume of fluid and brittle enough to be prone to failing seismically. Those conditions existed before the hydraulic fracturing. That combination of factors was rare and is therefore unlikely to be repeated. Cuadrilla's hydraulic fracturing events take place far below the earth's surface, reducing the likelihood of a seismic event of less than 3 on the Richter scale having any impact on the surface. The report also concluded that the fluid used in the fracking process cannot escape the rock that is deep underground and therefore cannot contaminate the local environment.

The findings of the study have enabled scientists to establish a system to monitor seismic activity at Cuadrilla's site, and facilitate the creation of an early-warning system that would allow Cuadrilla to detect the first signs of any seismic activity and to take steps to limit its escalation. The study concludes that even without the early-warning system, the largest seismic event that experts suggest is possible is one of magnitude 3, which is unlikely to be noticeable on the surface if it occurs at a depth of 3 km, where the fracking takes place. The proposed system already operates successfully in Germany and in the Netherlands.

Cuadrilla is, of course, in close contact with the Department, the local council and representatives of the local communities. I realise that my hon. Friend the Minister may want a little more time before deciding what the Department's view is about continuing drilling on the site. For what it's worth, my judgment is that on the information available at present, there is no need to impose a moratorium. Any decision about a moratorium must recognise that a degree of risk exists in all operations to explore for and exploit mineral resources, whether that is oil, gas or coal. The judgment for Ministers must be whether that risk is acceptable in the light of each set of circumstances. I believe that the regulatory regime in Britain is robust and effective at assessing risks and enforcing any necessary safety measures.

In this context, it is also important to assess potential benefits to the UK of exploiting our shale gas reserves. On that subject, matters have moved on significantly since our report was published in the spring. In our report, we concluded that

"shale gas resources in the UK could be considerable. However, while they could be sufficient to help the UK increase its security of supply, it is unlikely shale gas will be a 'game changer' in the UK to the same extent as it has been in the US."

During our inquiry, the only calculations available were based on analogies to similar shales in the US. The British Geological Survey's estimate that UK shale gas reserve potential could be as large as 150 billion cubic metres was the most up to date at that time. For comparison purposes, in 2009, UK total demand for natural gas was approximately 100 billion cubic metres and we imported about 10 billion cubic metres of liquefied natural gas.

On 21 September this year, Cuadrilla released its estimates, based on samples from exploratory drilling, of the gas in place in its area of operations in Lancashire. "Gas in place" refers to the estimated total amount of shale gas in the formation. It is not the same as reserves. The actual amount recoverable depends on a range of factors. Cuadrilla's results from the first two wells suggest that the gas in place equates to 200 trillion cubic feet. That does not translate directly into 56 years-worth of gas for the UK, because it will not be able to recover all that, but it does mean that a significant amount of gas will be recoverable and it will alter the picture.

During our inquiry, the British Geological Survey told us that the Bowland formation was only part of one of four good plays in the UK, encompassing many areas of the country. On that basis, it seems clear that shale gas has the potential to be a game changer for the UK and to restore the self-sufficiency in gas supplies that we enjoyed in the heyday of the North sea. Of course, the existence of those reserves does not automatically mean that they should be exploited. As our report pointed out,

"in planning to decarbonise the energy sector DECC should generally be cautious in its approach to natural gas".

That of course includes unconventional gases such as shale. The report continued:

"Although gas emissions are less than coal they are higher than many lower carbon technologies."

There are five main studies on the greenhouse gas emissions of shale gas. Two say that shale gas emissions could be higher than those of coal, while the three others debunk that analysis and conclude that shale gas is only slightly worse than conventional gas. Either way, the strong probability is that if UK shale gas reserves are exploited, significant new investment in gas-fired power stations will occur. Our report therefore concluded:

"The emergence of shale gas increases the urgency of making carbon capture and storage (CCS) technology work for gas as well as coal."

Now that negotiations for the first proposed CCS demonstration project at Longannet have failed to reach agreement, the £1 billion set aside in the comprehensive spending review for CCS is available for other projects to be pursued. I strongly urge the Government to apply that to developing CCS for gas.

The decisions taken during this Parliament about energy policy will shape the UK's energy infrastructure, especially its electricity generating capacity, for decades. The drivers of the policy remain security and independence, lower emissions, and price. Shale gas could help significantly by contributing both to improving our security and independence and to keeping prices down. In the short term, if gas replaced coal, it could also help to lower emissions, although without CCS, gas by itself cannot remain a large component of our energy mix beyond 2030 if we are to achieve the aim set out by the Committee on Climate Change of largely decarbonising the electricity generation industry by then.

I am increasingly sympathetic to the views of Dieter Helm, who suggested that the cost and security advantages, in the short and medium term, of using more gas over the next 15 years are considerable. During that period, the cost of some renewables, such as solar photovoltaics, energy from waste and others, may fall substantially. There is a possibility that new nuclear may also start to make a significant contribution. At a time when consumers are understandably concerned about rising bills, the wisdom of betting the farm on the more expensive and intermittent renewables, such as offshore wind, is increasingly questionable.

It is against that background that decisions about shale gas must be taken. I urge the Government to consider the potential benefits to Britain. There are legitimate concerns, of course, about the environmental impact, and those concerns must not be ignored. However, those who call for fracking to stop completely must produce scientific evidence to justify their demands, and I do not believe that at present such evidence exists.

2.48 pm

Dr Alan Whitehead (Southampton, Test) (Lab): I took part in the Energy and Climate Change Committee inquiry into shale gas, and in the course of that inquiry, I took part in a number of visits, not just to the one site in the UK that is currently being drilled, but to areas where intensive drilling was going on, has been completed, is producing or—in many instances—has been abandoned. What I found particularly useful about those examinations of existing practice was that they not only helped us to consider the overall theoretical picture, but enabled us to see what a shale gas producing economy might look like in the UK, based on what we now know about the in-principle availability of shale gas in the various plays in the UK.

I want to concentrate my remarks on these questions: if we were to proceed with the extraction of a sizeable amount of gas from the reserves that we currently know of, what would be the best, safest and most environmentally prudent way of doing so? If we consider that to be a minimum starting point for extracting shale gas, what will that make the UK's shale gas market look like? What effect will that have on the overall availability of gas?

Looking at the matter from another end, a number of people have recently made quite wild claims about what the existence of the shale gas reserves means. Some people, in pursuit of particular agendas, have gone so far as to say that all we need to do is extract as much shale gas as possible, run the economy on that gas, and not worry about renewables any more. They say that that would lead to an age of plenty for gas; gas prices would rocket downwards, we would have energy security for the foreseeable future, and we could abandon expensive alternative energy sources forthwith. Some of those statements are partially true; most are not fully true; and some, in my view, are completely off-beam.

On the starting point for shale gas extraction in the UK, the regime under which extraction takes place must be such that the free-for-all drilling taking place in parts of the United States cannot and will not be allowed here. The US's experience is not comparable, and can never be compared, to what might happen in the UK, for a number of reasons. First, in the areas that the Select Committee looked at, the regulation of mineral rights is entirely separated from the regulation of property rights. One can literally fetch up in a truck outside someone's front garden and say to them, "I own the mineral rights to the land behind your back garden as far as the eye can see, and I am going to start drilling in your back garden. There is nothing you can do about it. I might give you some money to compensate you, but that will be it." Consequently, certain plays in the United States, called sweet spots, have gone ahead with intensive drilling. In certain parts of the US, areas literally look like Swiss cheeses, with lots of drilling sites pockmarking the surrounding area. They even extend to urban areas and literally to people's back gardens.

There is not only intensive drilling, but intensive drilling that goes horizontally out from the pads, which are the size of two football pitches; those are the typical starting points for shale gas drilling. There can perhaps be 16 to 20 wells per pad—intensive drilling indeed. As a result, a large amount of shale gas is produced, but wells continuously deplete, which means that each well is not producing an enormous amount of shale gas.

[Dr Alan Whitehead]

The issue of depletion rates for shale gas wells is addressed in the Select Committee's report. It is the cumulative effect of a large amount of drilling for multiple wells in particular places that produces the overall volume.

Plays in Texas, Pennsylvania and other parts of the US are infinitely easier—perhaps twice as easy—to extract from than is ever likely to be the case in the UK. We therefore need to treat the reports of overall reserves under the soil in the UK with some caution, because in practice, perhaps not more than 10% to 15% of the gas that is theoretically there will be extractable, even over a long time and with repeated fracking in particular wells.

I completely concur with the caution expressed—caution is the watchword in the Select Committee's report—regarding the conditions under which drilling may take place. Under a regime with conditions, I think that a substantial amount of shale gas can be extracted over a long time, but probably not a volume that will be the price-reducing game changer that some people talk about. A recent report by Bloomberg looking at, among other things, the likely future effects of shale gas on UK prices suggested that there would not be a significant effect on prices. There may well be a significant effect on energy security; we would replace at least a proportion of the nearly 40% of gas that is imported with gas produced in the UK. That is potentially important, but it seems unlikely to be a price-reducing game changer.

The conditions are important because in the UK it will be necessary to obtain proper licences, maintain the right safety procedures in all wells, and ensure that wells are correctly sheathed, so that there is no danger of the contents of particular geological levels permeating and contaminating other levels. It will also be necessary to be careful about the use, disposal and—I hope—recycling of the large volumes of water that are used in shale gas extraction. That subject is another feature of the Select Committee's report. There is considerable tension about water in certain parts of the country, so even the use of 1%, 2% or 3% of the water supply could put substantial and increasing pressure on the amount of water available. Keeping a close monitoring eye on the use of water will be important.

David Mowat (Warrington South) (Con): I am listening carefully to the thrust of the hon. Gentleman's remarks. I think he will concede that there has been a significant price differential in the US on the Henry hub, for whatever reason. Gas prices have fallen by about 50%, and that has been attributed to shale. I have listened to the logic of his remarks, but I have not heard the specific reason why he does not think that that will happen, not in the UK—the UK is not where the issue is—but in Europe; that is where the issue is.

Dr Whitehead: I think that the reason why that will probably not happen is that the US, as recently as five or six years ago, was in the process of building substantial quantities of liquefied natural gas delivery depots, which were anticipated to take up a substantial shortfall in gas in the US; that shortfall was even greater in the US than in the UK. The US economy was therefore in a position where, as a result of the anticipated introduction of that large amount of LNG, prices reflected the situation regarding indigenous gas in the US, imported gas, investment prospects, and the likely prospect of a need to procure further large amounts of LNG for the US, at a time when there was increased worldwide demand for LNG in various other economies.

Since five or six years ago, that particular metric has been entirely flipped over. The United States is now exporting, rather than importing, LNG. That has had a substantial flip-over effect on prices in the USA. I am not an expert in these matters, but that is my understanding of the situation. The position is not comparable with that in Europe or the United Kingdom. As I say, the production of shale gas will perhaps have some effect on the stabilisation of prices over a period of time, and some effect on the requirement for a secure gas supply within the UK, rather than us importing it through interconnectors or through LNG. We have, of course, fairly efficient gas interconnectors between the UK and the rest of Europe, although whether gas flows down them is another matter. However, the two propositions are entirely different in their likely effect on prices.

The two propositions are similar, however, to the extent that there will be a significant effect on what one might term the energy security front—on what would otherwise be the question of where the UK will source its gas supplies from in future—although the UK interconnectors are pretty secure; they mainly go to Norway and other European destinations. Sourcing that gas from within Europe arguably brings us close to the energy security that we would have if we had an entirely indigenous supply. That is my take on why the price effect will not take off in the way that some people think it will.

I want to emphasise and underline that point, as the Committee's conclusion is that there is not a case for banning or stopping the exploitation of that shale gas resource through drilling, but that there is a case for ensuring that there are careful, secure environmental guidelines to ensure that it is done in the best way for the protection of the environment. There is also a case for ensuring that, unlike the USA, we have careful continued regulation of not only the drilling but the capture of the gas, and regulation covering the fate of wells as they deplete and go out of commission.

The point about multiple wells is that they do not have long productive lives compared with more conventional forms of drilling. One of the issues in the United States has been that in a number of areas, because wells have often been drilled in a speculative and unorganised way, there are large numbers of abandoned wells scattered across the landscape, some of them well capped, some not capped and some not very well capped. Indeed, the magnificently named Texas Railroad Commission, which regulates the whole business in Texas, is in the process of finding where those abandoned wells are and putting in place a programme for capping them. That is a regime that we cannot afford to have in the UK, because of the implications of gas leakage and the danger of those uncapped and untreated wells from an environmental point of view.

The overall picture is that, with careful regulation, a reasonable contribution can be made to UK energy supplies from shale gas over the next period. We should not, however, run away with the idea that it will solve everything or that it should not be properly and fully environmentally regulated, to ensure that some of the things that we have heard about elsewhere in the world

do not, by accident or by negligence, take place in a UK energy environment. I believe that that is a balanced view, and that the Committee has taken a balanced view on the future of shale gas. It is important for future debates on the energy economy that we keep that balanced view of what various elements of the UK energy mix can contribute to the overall welfare of our future energy supplies.

3.6 pm

John Pugh (Southport) (LD): My constituency is right on the edge of the latest find. I have to declare a sort of interest, because when I originally bought my house, under a 999-year lease, I found the local feudal landlords had mineral rights over my front garden. When I bought the freehold, I obviously took over those rights. My house suffers from tremors, but that is only because eight trains an hour from the Northern line go past my front door. None the less, there is a genuine concern in the area about the exploitation and extraction of shale gas. I will be visiting Cuadrilla tomorrow, coincidentally, to put to it some of the questions that will no doubt come up in this debate.

When I read the report, I was delighted by its excellence and balance. It may surprise you to hear this, Mr Gale, but I do not know much about geology and oil exploration. I was extraordinarily well educated by the report. What I understand, however, is politics, which I have been in for a long time. The two motives that move people in politics are greed and fear, and both greed and fear are in play in this particular issue.

On one side, pictures are sketched of a shale bonanza. The Lancashire find is put at 200 trillion cubic feet. I am reliably informed—well, informed—by a Cabinet Minister that that is almost equivalent to half the entire reserves in the USA. One ponders, I guess, why that has not dramatically affected the share value of Cuadrilla in the way that one might expect, but, none the less, it is by all acknowledgment an appreciable find. That offers the possibilities of making the UK energy-secure, of lowering energy prices and of generating wealth, although there could be an argument about how that wealth will be spread and who will benefit the most. There is no doubt that with energy comes wealth. The people buying up our premier league football teams, by and large, tend to be energy barons. That is one side of the equation.

On the other side, there is not the hype, but the fear. There is the fear of environmental destruction, the fear of wells being aborted over a period of time or rather more rapidly and there is the fear of poisoned water supplies. *[Interruption.]* I am sure that hon. Members have seen the flaming house taps in the USA, although I wonder what the American water authorities are doing in allowing gas to contaminate—

Mr Roger Gale (in the Chair): Order. I am sorry to interrupt the hon. Gentleman, but someone's mobile phone is switched on. Can everyone check their phone, including those sitting in the Public Gallery?

John Pugh: I suspect that it was my phone, unfortunately. I am interrupting myself.

There are also arguments about water depletion, tremors, geological instability and so on. Given the degree of hype on one side and of panic on the other, the report is most timely and helpful. I genuinely think it is a good report, which enables us to form a judgment about how and whether to extract. There is, however, one view that the report perhaps does not deal with sufficiently. It is at one extreme of the debate and it goes something like this: even if extraction is safe and profitable, it should not be done, either because it produces a carbon fuel, and we should not get more carbon fuels out of the ground, or because it augments and influences the use of carbon fuels and the carbon fuel market elsewhere. Organisations such as the Tyndall Centre have put that argument very seriously and would still oppose the extraction of shale gas in the UK for the same reasons, even if they found out tomorrow that it was perfectly safe.

People who argue like that believe a range of different things. They might believe that renewables can plug the UK energy gap quickly, that the British public will dramatically and quickly reduce their energy consumption through energy conservation or energy efficiency or that nuclear energy can easily plug the gap and step up to the plate. When we go through those alternative assumptions and the general argument for doing nothing about shale gas, however, it becomes clear that none of them has general support from informed opinion, and I share none of them myself. I do not think renewables will plug the energy gap as quickly as we would like, that the British public will dramatically or rapidly alter their behaviour in the next decade or that nuclear energy can easily fill the gap.

Given that most people believe and accept that gas is part of the mix, the debate can then centre on whether we should have UK gas or imported gas. People can be against natural gas extraction full stop or shale gas extraction full stop, or they can simply be against shale gas extraction in the UK. As I understand it, most people's anxieties are not about shale gas per se, but about particular propositions in the UK and about whether the process followed here might emulate bad practice elsewhere in the world. Most people are concerned about safety, either because they are not convinced that shale gas extraction is safe or because they are not convinced that all companies can be trusted to make it safe—even where it has the potential to be safe, they think one should be suspicious of oil companies.

Eric Ollerenshaw (Lancaster and Fleetwood) (Con): On safety, does the hon. Gentleman think that it was perhaps a mistake for the report on the seismic activity to have been commissioned by Cuadrilla, given that many residents in the area already have questions about the report's true independence? There have been press reports today that although the report refers to a few seismic activities, Cuadrilla has now admitted to there having been 50 in just eight months, which undermines the confidence of people in the area.

John Pugh: If one were extraordinarily suspicious, one would expect Cuadrilla simply to produce a whitewash report, because there is no advantage to the company, in the current circumstances, in admitting liability for the tremor—it has not helped Cuadrilla and, in terms of its public relations operation, it has been a disaster. I guess that that leads one to believe that Cuadrilla is prepared, in certain contexts, to admit to some of the flaws that might arise during drilling.

[John Pugh]

The great thing about the Committee's report—this is a considerable reassurance—is that it indicates that the process is not, as in America, taking place in the wild west. A series of robust arrangements are in place, and the report refers to

"a suite of environmental legislation".

There are controls at various stages, and they seem—at first blush, at any rate—to be relatively robust. There is licensing, which is subject to conditions in the first place, and there is drilling permission, which is subject to planning regulations. There are also environmental effects, which are subject to impact assessments and monitoring by the Environment Agency. Similarly, the site is covered by health and safety legislation. Finally, people in the UK—unlike the people with methane in their taps in the USA—presumably have the advantage of water companies that test their water before sending it through the system.

The might, and should, offer a degree of reassurance, although there is an argument about how much reassurance it offers. However, there is a point at which reassurance runs out, because none of these things can totally get rid of the known unknowns, to use Donald Rumsfeld's splendid expression. I did not realise this before, but there is talk about the effect of extraction or any sort of mining on the mobility of other sorts of gases and minerals that are not directly investigated or extracted from the strata affected. People cannot always say what will happen to those, but, then, they cannot say what putting Crossrail under London will do. Similarly, I have spoken to people in my constituency, and some of them have said, "That reassurance is all very well, but there might be things wrong with the process that we don't currently know about. There might be some dangers out there we can't identify." This is where we get on to Donald Rumsfeld's unknown unknowns.

There is a rational view of all these things, which goes something like this: if we are to have any conventional extraction, unconventional extraction or even large-scale development, we should do everything reasonable and necessary to ensure that it is as risk free as it can be, but we cannot eliminate risks that we cannot anticipate. There is, therefore, a strong case—particularly where there is genuine public concern—for taking a proactive approach towards monitoring any shale gas extraction process. Such an approach would mean having an open, transparent process, with frequent monitoring, genuinely hard and enforceable regulations and a body that is resourced to enforce those regulations. The Committee's report makes it clear that the Environment Agency will have more work to do if shale gas takes off in the UK, and it will need to be resourced appropriately, subject to current Government restraints.

Importantly, we also need to be assured that whoever promotes large-scale developments has the public indemnity to act if something goes wrong, and that includes dealing with the unknown unknowns. They should also be in a position to clear up. As the hon. Member for Southampton, Test (Dr Whitehead) has said, wells are simply abandoned in the USA, and people leave their detritus behind them. That simply cannot take place in the UK, where it would be wholly unacceptable.

There is a lot of good advice along those lines in the Committee's report. Recommendation 14 states:

"We recommend that the Government consider the future funding for the Environment Agency".

Recommendation 15 states:

"We recommend that the Health and Safety Executive test the integrity of wells before allowing the licensing of drilling activity."

Recommendation 16 states that

"the Environment Agency should insist that all companies involved in hydraulic fracturing should declare the type, concentration and volume of all chemicals they are using."

And recommendation 17 states that:

"before the Environment Agency permits any chemicals to be used in hydraulic fracturing fluid, they must ensure that they have the capabilities to monitor for, and potentially detect, these chemicals in local water supplies."

In other words, the Committee is making a plea for a robust regime to govern what is a new process for many people in the UK. In many of its technological aspects, fracking or shale gas exploitation is not that new, but it is certainly a new concern for many people in my part of the world.

My concern about the Committee's report relates not to the report itself, but to the fact that the Government's responses to some of our clear-cut recommendations allow a little more wriggle room than I am comfortable with. There are too many "mays" and "cans", too many expectations and too many statements to the effect that things might be done, could be done or, optimally, would be done, but there is no assurance that they always will be done. If we are to get any benefit from shale gas in the UK, we must be able to guarantee safety at every stage. Therefore we must have appropriate and effective monitoring and enforcement. Without those things, there will not be public support for shale gas, and there will be much anxiety about it, and we will have to accept that we have an asset perhaps to bequeath but not necessarily to use. The ball is in the Government's court. If they and the agencies that want to exploit shale gas can show to all and sundry that they will hold the various companies concerned to the fire until they agree to what is appropriate, safe and satisfactory and that it passes all reasonable scientific tests, there may be an answer in shale gas for British energy supplies. If not, the issue will be coupled to an unnecessary degree of anxiety.

3.20 pm

Ian Lavery (Wansbeck) (Lab): As a member of the Select Committee I have been involved in the report and all the stages leading up to it. I am sure that my colleagues agree that the investigation into shale gas has been enlightening.

Shale gas has been declared to be an energy revolution and a game changer in the US, and heralded as a game changer for policy and for energy security. The real question here is whether it can be a game changer in the UK. It is an unconventional gas, and is classified as a fossil fuel. The three main types of unconventional gases are shale gas, tight gas and coal bed methane gas. The reserves of shale gas are known, as has been explained this afternoon, as plays, not fields. They cover a larger geographical area than a field and, because of the way in which the gas is exploited, need many more wells to be drilled than conventional gas, which will present a problem for communities in itself.

Cuadrilla has been the subject of everyone's discussions this afternoon. It describes itself as an English independent company, and it has completed phase 1 of its exploration at Preese Hall, five miles east of Blackpool. Phase 2 of the exploration commenced in 2011, and on its completion Cuadrilla plans to equip one of its other four approved sites in Lancashire. As has been explained by the hon. Member for South Suffolk (Mr Yeo), the Chair of the Select Committee, the results were divulged today or possibly yesterday, and unfortunately I have not seen them. However, it is alarming that the hydraulic fracking process was paused because of seismic events in Poulton-le-Fylde last year.

We must understand, as politicians on both sides of the House, that people have the right to be frightened of seismic events in their area. Someone may say, "Don't worry; it's only a seismic event," but when people hear things like that they go to the council or their representatives, or they go on the internet, and eventually they go to their MPs' surgeries wanting answers. We must understand that. What the hon. Member for Southport (John Pugh) has said about fear and greed is right, and it is probably what the issue is all about.

The seventh special report of Session 2010-12 outlines the work of the Select Committee on Energy and Climate Change and the Government's response. The whole issue of shale gas needs much more detail and clarification on a range of fronts: there are the cost implications; there is the impact of exploration and production on the environment, which is an essential issue; there are the advantages and disadvantages of shale gas production and exploration; there is the carbon footprint; and there are the possible hazards. Having sat in Committee while witness after witness gave very good statements, we heard wide and varied views before we took the view outlined in the report.

The cost of shale gas exploration and production, and the cost to the consumer, are at present relatively unknown. My hon. Friend the Member for Southampton, Test (Dr Whitehead), has explained his view of different costing elements and the potential future costs.

Of the environmental issues, fracking, which leads to seismic events, is the one that people are talking about, and it is one of the most important. In a nutshell, fractures or fissures are created in underground formations to allow natural gas to flow. Water, sand and other chemicals are pumped under high pressure into the shale formation to create such fractures and fissures, and the sand then props them open to allow the gas to flow to the surface and be collected. Interestingly, giving evidence to the Committee, Professor Selley of Imperial college London observed—I would be the first to accept that this is an example of the fear factor, but it was put to the Committee—that hydraulic fracking had been blamed in the United States for the contamination of shallow water aquifers, microseisms, which are faint earth tremors, and flocks of dead blackbirds falling from the sky.

Christopher Pincher (Tamworth) (Con): The hon. Gentleman has discussed the pollution dangers from fracking. Does he accept that because fracking happens thousands of metres underground, whereas aquifers are probably only a couple of hundred metres below ground, with thick layers of rock between the two, the likely reason for pollution is not seepage of dirty water upwards, but failures in the well head or the bore itself?

Ian Lavery: That was the view of many experts, as well. I am merely highlighting points raised by experts who appeared in Committee. I understand what the hon. Gentleman has said, and it was the view of probably the majority of those experts, but it is important to look at other aspects of the matter. I have read about blackbirds falling from the sky three or four times, and I think it is the fear factor. When that point was raised in America, the response was that blackbirds were falling from the sky long before fracking. I probably agree with that response, but, again, the point was put before the Committee.

The report makes a number of recommendations on the environmental issues. There are still major concerns about the environmental impact of shale gas exploration and production.

We must listen to the general public because we need them onside if we are to succeed in making shale gas a major contributor to the energy requirements of the UK for many years, as people believe can be the case. There is no doubt that we must take the general public with us. If they are not with us, it will be terribly difficult to do anything.

Eric Ollerenshaw: My hon. Friend the Member for Southport (John Pugh) has referred to "fear and greed", but is there not another concept that relates to what the hon. Gentleman has just said, which is, "What is in it for us?" Many of the people in my local area are too used now to wind farms being built on hills, which are owned by financiers miles away and the local people see no benefit from them, and wind farms being built out at sea, which are driving the fishing fleets away and, again, they are yet to see any benefit themselves. Local people's fear about shale gas—or their view about, "What's in it for us?"—is that suddenly these companies will come along, that they will extract the shale gas and that there will be very few job opportunities for the local area. Potentially, millions will be made out of shale gas production, but not for the local area.

Ian Lavery: I think that the hon. Gentleman is right, which is why it is imperative that we try, at all stages, to take the general public in the areas affected along with us.

I think that it was the hon. Member for Southport who said that, whatever new types of energy we come up with, people will automatically oppose them. It does not help when certain people say that they are in love with these new wind turbines and that they are beautiful to watch. Wind turbines are probably beautiful to watch from somebody's back garden but perhaps not from other people's back gardens.

The hon. Member for Lancaster and Fleetwood (Eric Ollerenshaw) is right that these industries are not labour-intensive. Local people think that there is employment coming to the area with the new energy industries, but it does not really happen, and it has not happened so far. Generally, these new technologies do not create much new employment, but people can see them and wonder why they are being developed. I agree with that point.

The fracking process has been the focus of much consternation. Could the gas from fracking make its way into the general water supply? Could the fracking fluids leak into the shallow water aquifers, an issue which we have already discussed? What type of fluids

[Ian Lavery]

would be used? The Tyndall Centre has said that, of the 260 substances used in fracking, 58 could be carcinogenic or mutagenic, while other organisations have suggested that all the substances used in fracking are also used in everyday household goods. Those are the varied views that the Committee heard from industry experts, some of whom said that the fluids are carcinogenic, and some of whom said that they are just fluids used in ordinary household goods. We must get much more detail on that subject. Also, could fracking lead to the groundwater contamination that has been experienced elsewhere?

The Energy and Climate Change Committee report tackles all those issues, as has been outlined already this afternoon. However, the World Wide Fund for Nature has clearly stated that shale gas is a fossil fuel and that

"world fossil fuels should stay in the ground and shale gas is likely to increase the net carbon emissions."

The Campaign to Protect Rural England has drawn on evidence from Canada, which shows that the majority of wells in Quebec leak large doses of methane.

Another issue is the carbon footprint of shale gas production, which is very much unknown, although there are some very interesting and varied views about it. The British Geological Survey has stated:

"The overall greenhouse footprint of shale gas, including direct and indirect emissions of both CO_2 and methane is not yet fully understood."

Representatives from the Select Committee visited Texas in the United States at the end of last year, or possibly at the beginning of this year. One of the first presentations that they saw began by noting that, over a 20-year period, the global warming potential, or GWP, of methane is 72 times that of carbon dioxide, while over a 100-year period the GWP of methane is 21 to 25 times that of CO_2. That is because methane and CO_2 have different lifetimes in the atmosphere. If the short-term GWP measure of methane, which is 72 times that of CO_2, is used, coal emissions would come to 1,154 kg of CO_2 per megawatt-hour, while gas emissions would come to 781 kg of CO_2 per megawatt-hour. The figure that is usually bandied around as being accurate in most cases is that gas production produces 50% fewer CO_2 emissions than coal production, but these figures that I have just cited take the figure for CO_2 emissions from gas production up to something like 70% of the figure for CO_2 emissions from coal production. Again, we need to consider gas production in terms of the environment.

There is also carbon capture and storage, which has been mentioned. If we are to succeed with shale gas production, because of the problems with the environment and the emission levels, CCS must be pushed forward. We have a massive problem after the cancellation of the Longannet plant just two weeks ago. It has taken about six or seven years for that project to be ready to be signed, but it was cancelled at the eleventh hour. It is important that CCS is put back on the table. We have had excellent discussions with the Minister about CCS, and those discussions are continuing. In addition, experts say that the way in which shale gas is extracted largely depends on the emission levels. We did not get into too much detail on what that actually means, but it was certainly something that the experts said to the Committee.

The report clearly outlines that there are now extensive explorations for shale gas taking place in Poland and it recommends that the UK closely monitors the progress of those explorations, which is the right course of action.

In conclusion, shale gas might be the partial answer to future energy supply problems in the UK, but there are so many imponderables at this point that I think that time will tell. Shale gas production has huge potential, and future development and exploration are imperative. We need to continue with that development and exploration, albeit in an extremely safe fashion, stage by stage, and taking the public with us. However, before the UK ploughs ahead with shale gas production, much more clarification is required, particularly in respect of the fracking issue and of the environmental issues.

Mr Roger Gale (in the Chair): Order. I propose to call Mr Mowat next. I shall then call the two Front-Bench spokesmen. If other Members wish to participate in the debate after that, there will be an opportunity for them to do so.

3.37 pm

David Mowat (Warrington South) (Con): Thank you, Mr Gale, for calling me to speak.

In several contributions, the term "balanced" has been used, both about the Select Committee's report and the tone of the speeches. My remarks might be a little less balanced, because I think that shale gas production is a very positive development and that we could be on the verge of something significant.

I apologise in advance for using the term "shale gas" interchangeably with "unconventional gas". The report does that and several Members have also done it in their contributions. In my constituency, we have a fair bit of coal gas. IGas has found coal gas in Warrington.

I will not talk further about the environmental issues around shale gas production; they are genuine and they need to be sorted out. A number of Members have already spoken well about them. I will just say that there is no form of energy—and no choice that we have for sorting out energy—that does not have some kind of environmental issue. We have to make choices.

I want to talk for a minute or so about gas in general, before I get into shale gas in particular. I want to put into context where we are in our decarbonisation targets. In 2010, 2.5% of the UK's energy came from renewables and 90% came from fossil fuels. Of that 90%, the majority is still coming from what we would call the "dirty" fossil fuels, which are coal and oil. We have a long way to go. There was a debate on this subject recently and it was pointed out that the UK is 25th out of 27 countries in the EU in uptake of renewables. It is my judgment that gas has a role to play in decarbonising the economy. We may debate the matter later, but I believe that we have wrongly placed some efforts by confusing "decarbonisation" with "renewables". Decarbonisation is necessary and it is a legal requirement. Some of the renewables targets might not always lead to us making the right decisions about how we decarbonise, and at what rate.

Right now, 50% of the UK's energy still comes from oil and coal, and although it would not be easy to replace them with gas because that would mean transport

being sorted out, if we did so we would have a carbon reduction of 30% or 40%, depending on the precise ratio used.

I have mentioned the decarbonisation of transport, and there is a lot of emphasis on electrification and the need for electric cars. That market is moving ahead in a way that this country might not have noticed, with well in excess of 10 million gas-powered cars in the world. Interestingly, the leading countries are some of the developing ones, such as Pakistan, which is making a big effort to decarbonise.

Probably the single most important observation about shale gas—unconventional gas—is that we do not have much of it in the UK compared with other types of energy. I heard the remarks of my hon. Friend the Member for South Suffolk (Mr Yeo), and I agree that it is a fluid thing. I have here a report by the United States Energy Information Administration, which states that the UK has something like one tenth of 1% of the total technically recoverable reserves of unconventional gas. Although the UK might have a lot—the numbers are significant—it is the impact on the gas market in the world around us that will affect us.

We have talked a little about the US experience. The hon. Member for Southampton, Test (Dr Whitehead) said that five or 10 years ago the US was building liquefied natural gas terminals to import the gas, and it is now talking about applying for licences to change them into export terminals. That is because of shale gas; we have already mentioned that unconventional gas prices in the US are now 50% of gas prices in Europe. There is a great phrase in the Select Committee report: "The tyranny of distance". Gas prices are regionally based, and what happens in the US does not have to happen in Europe or Asia.

It is worth my giving my perspective on what really drives gas prices. I worked in the industry for a large part of my life and I never wholly understood how gas got priced. Gas used to just come off when the oil came off and was then burnt and sold. The truth is that gas has historically been priced under long-term contracts as a percentage of oil price, which is why the gas and the oil prices are linked in the various regions. Oil has gone up and therefore gas has gone up with it. That relationship needs to be decoupled and, notwithstanding the comments that we heard earlier, I postulate that shale gas provides the opportunity for that to occur, whether or not we exploit the gas in the UK. If such decoupling does occur, there will be a set of impacts. We are at the end of the Russian gas pipeline. Poland and France are the big places for shale gas in Europe, apparently with many times the reserves that we have.

Dr Whitehead: Does the hon. Gentleman accept that notwithstanding what he properly identifies as the relationship between gas and oil prices, and the possibility of decoupling, shale gas—unconventional gas—is a relatively expensive part of the gas extraction spectrum, and will remain so regardless of what its plentifulness suggests? Therefore, if gas prices decouple and go below a certain point, the gas becomes uneconomical to extract and regulates itself to some extent on the basis of its unconventionality.

David Mowat: I certainly accept that the market will determine gas prices and that if the price drops to a point at which it is not viable to take the gas out, it cannot be done. It appears possible, however, for the US to exploit and develop shale gas for $4 per million cubic feet, compared with $10 here. That is the market price, because people are obviously making a profit at that level. I can see absolutely no reason why that would not happen in France and Poland, and indeed in Russia. The report interestingly misses out South Africa—it might just be that things are moving very quickly. The Department of Energy and Climate Change figures for worldwide unconventional gas show that South Africa has one of the larger residues.

The thrust of what I am saying is that we have to be careful with all these environmental issues, and we must, of course, bring people with us. The market will happen anyway, and it could be a significant game changer and a big assistance to the decarbonisation effort that we must make in the shorter—and potentially the longer—term. One reason why unconventional gas has perhaps had a slightly weaker profile than it might otherwise have done is that it has a lot of natural enemies. The green lobby does not like it because it is a fossil fuel, and it is worried that it will take our attention away from renewables, and big oil does not like it because it is not at the forefront of this as it has been west of Shetland, for example. I used to work in the industry, but had not heard of Cuadrilla until a couple of years ago—Cuadrilla and IGas are new companies.

Shale gas is not a panacea—nothing is. But it could make a bigger contribution than is perhaps implied by the tone of the Select Committee report and the remarks that we have heard today. I was taken by a line in paragraph 76 of the report, which sums things up rather well:

"we can't make the perfect the enemy of the good".

3.47 pm

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Gale, and to take part in this important debate after some excellent contributions from members of the Select Committee and other Members with a local or professional interest. I commend the introduction to the debate by the Chair of the Committee, the hon. Member for South Suffolk (Mr Yeo). From the few short months at the start of this Parliament when I was a member of his Committee, I know that he is an excellent Chair and does very good work.

As Members have said, the debate is important and timely, given the shale gas issues that are high profile following the publication yesterday of the Cuadrilla report. In the three weeks since I was appointed shadow Energy Minister, I have heard Lord Lawson describe shale gas as the biggest energy bonanza since the discovery of North sea oil, the hon. Member for Brighton, Pavilion (Caroline Lucas)—I am surprised that she is not here today—say, "So what?" to the estimate of 200 trillion cubic feet of reserves under the Lancashire coast, and others say that we are in danger of encountering an environmental disaster. We are, therefore, not short of opinions on the matter, but there are some fundamental issues raised in the report and the Government's response that I want briefly to address.

The Chair of the Committee has set out that the report is generally favourable towards onshore shale gas exploration and does not accept the case for a moratorium.

[Tom Greatrex]

Since the publication of the Committee's report, the report on the unusual seismic activity in the early summer has been published, and I wonder whether the tone of the Committee's report might have been more cautious had it been published subsequent to that. The conclusion of the Cuadrilla report, that it was highly probably that the tremors were triggered by fracking but that somehow that is unlikely to be repeated with further exploration, was interesting. Those two statements appear, on first examination, to be incompatible at the very least, and it is important that the Government look carefully at that when they take that report and the work by the British Geological Survey into account. During the past 24 hours, I have heard from geologists who take a different view. It is important that we look into it. However, I also accept that, due to their scale, the tremors were not significant and had no structural impact.

[Mr Dai Havard *in the Chair*]

I know that additional work will be undertaken and reported to the Minister. I broadly support that approach. As the Select Committee report highlights, public confidence is needed in the safety regime attached to the exploration of shale and other unconventional gases. Public confidence is important. Given the scale of the concerns expressed by groups, individuals and people who live in that part of Lancashire, it is important that the Government's response takes account of those anxieties.

The other, equally valid side of the issue is that the public rightly expect that new developments, technologies and techniques should be used if they can help balance our energy mix, increase a potential indigenous energy source, reduce carbon emissions and address security of supply. The public also have an interest in getting a better energy mix, as it could affect the rate of increase in the prices that they pay.

Many claims have been made that shale gas can make a huge difference to all those issues, although some seem to be the result of a crude extrapolation of the American experience to the UK, which I do not think is valid. My hon. Friend the Member for Southampton, Test (Dr Whitehead) alluded to that in his remarks. The Chair of the Select Committee repeated today something that I have heard him say before: shale is a game changer whose significance has yet to be fully understood. He might be right, but estimates differ as to the amount of shale gas available on and offshore. That requires significant investigation.

As technology develops and techniques become more practised, the economics might also become more attractive. There are plenty of examples of North sea oilfields that have exceeded their claimed lifetime by several years. One particular field has almost doubled its lifetime and is still going strong due to the dual impact of technological and drilling advances and the fact that complex extraction is more economically viable than it was 20 or 25 years ago.

Shale gas involves many unknowns, which is why robust and effective environmental protection and monitoring are important, as the Select Committee report makes clear. I would like reassurance after reading the Minister's oral evidence in the report. I hesitate to use the word "complacent", but I am not sure that he demonstrated enough of the urgency required about providing public confidence and ensuring that we can exploit the technology more fully as we learn more about it.

The Select Committee report makes the point that many aspects of protection and monitoring need clarifying. The offshore regime for the North sea is widely accepted as world-leading. That is due at least in part to Piper Alpha. Many improvements in offshore health and safety and environmental protection were introduced as direct results of that tragedy or, indirectly, through inspections and monitoring by the Health and Safety Executive, the Environment Agency and, in Scottish waters, by the Scottish Environment Protection Agency.

I understand the industry's reluctance to move towards European regulation of offshore activity, particularly when the need is questionable, but onshore fracking involves factors that must be taken into account, such as water use, recycling, the effect on the water table, the toxicity of the chemical mix, the potential for leaching into drinking water supplies and disruption to the landscape. People have concerns about a range of issues, as the Minister will know. That is why public confidence requires detailed work, as well as investor certainty and environmental standards. Those three aspects can be joined to provide reassurance.

Even if shale gas from onshore sites in the UK does not become more significant in the months and years ahead—my hunch is that it probably will—it is likely to do so in other parts of mainland Europe, most notably Poland. Given those concerns and the present moratorium in France, it would be useful to understand whether the Minister has had discussions with his European counterparts about those issues. Also, what progress has he made in discussions with the HSE, the Environment Agency and his counterparts in the Department for Communities and Local Government, which is responsible for planning policy, to discuss how those agencies can work together to provide the right level of reassurance for those with environmental and community concerns? It would also be useful to hear more about the expected time scale for the Government's response to the report that they received yesterday and the additional geological survey work that I understand will follow from that.

In addition to regulation, I will mention a couple of issues regarding the potential impact of shale gas on other aspects of energy policy. Other Members have referred to its impact on renewable investment in coal-fired power and on the future of carbon capture and storage. It has been argued that shale gas will precipitate a further dash for gas, and that gas with lower levels of carbon emissions than coal will be at the forefront as a bridging energy, as renewable tidal, wave and other technologies develop. However, there are concerns that that might affect renewable developments and disincentivise the necessary continuing investment.

To risk moving into the subject of our second debate, that would have an impact on the Government's electricity market reform proposals and some of the assumptions underpinning the various features of that policy. Gas emissions might be lower than those of other fossil fuels, but they will always be higher than those of renewables, and the fracking process is energy intensive. If, as the Select Committee report anticipates, the emergence of shale gas leads to a switch from coal to gas for

electricity generation, and to new gas power stations being built close to source, the development of CCS for gas will become increasingly urgent.

However, that should not rule out or relegate the importance of CCS for coal following the Longannet decision a couple of weeks ago. Both are important, and there is a pressing need for urgency in Government progress on alternative demonstration projects in both coal and gas. As BP pulled out from the earlier iteration of a potential CCS project in Peterhead, I hope that the amended project, with SSE leading the consortium, will be considered as a viable option for that technology, given its proximity to deep storage sites in the North sea. What impact do the Government anticipate that the move to shale gas will have on the coal industry and the potential for clean coal? That would be interesting to know.

The hon. Member for Lancaster and Fleetwood (Eric Ollerenshaw) mentioned community benefit. On offshore wind licensing, I note that, particularly in parts of Scotland, moves are being made towards direct community benefit. Perhaps that could go alongside the potential benefits in terms of jobs. As he or an hon. Member intervening on him remarked, sometimes job figures are projected that are not necessarily matched in reality.

Several other countries around the world are more advanced in their experience and understanding of onshore shale gas and the horizontal drilling techniques required to release its energy. They are still learning, as are we. The small tremors in Lancashire in early summer were a signal to the Government and regulators that there are still unknown environmental consequences from fracking, just as there are still potential wider implications for energy policies developed in the past couple of years, which might become redundant or less relevant as a result. It is important for the Government to take on board those concerns, examine the evidence carefully and perhaps press for additional scientific evidence if initial investigations are not conclusive. A cautious approach is right.

The Select Committee report sets out the potential but balances it with the need for effective regulatory oversight to ensure public confidence. I implore the Government to take those wise messages on board and work quickly to put protections in place, so that if the game is to change, to borrow a phrase, the right kit is laid out by the captain in the changing rooms before taking the wicket. Without that confidence, shale gas might become an opportunity missed rather than realised.

3.59 pm

The Minister of State, Department of Energy and Climate Change (Charles Hendry): It is a pleasure to serve under your chairmanship, Mr Havard, and to respond to what has been an excellent debate. It has been extremely balanced, thoughtful and constructive—words that are also applicable to the Chairman of the Energy and Climate Change Committee, my hon. Friend the Member for South Suffolk (Mr Yeo). The way in which he introduced the debate was helpful. As he said, the issue could not be more topical. It is very much in the news this week, and the way in which it has been debated in this House shows that we are all keen to understand the technology's potential, but to also ensure that it is developed in a way that takes account of the highest standards in both environmental and safety legislation.

I shall begin by explaining how we as a Government believe that shale gas fits into the potential energy mix in the United Kingdom. Even as we move towards a less carbon-intensive future, oil and gas will undoubtedly remain a vital part of our energy system for many years to come. In that context, the Government are committed to ensuring that we maximise economic recovery of UK hydrocarbon resources, both offshore and onshore. I should say in response to my hon. Friend the Member for Southport (John Pugh) that we see it as in our national interest to maximise returns on our indigenous resources. We are moving to a situation where we are net importers of gas, and there is a multi-billion-pound benefit to the UK economy from optimising our resources. We are keen for that to happen.

We have taken a careful approach to unconventional gas resources. We support industry's endeavours in pursuing such energy sources, as long as they are technically and economically viable, and have regard to the full protection of the environment. The hon. Member for Rutherglen and Hamilton West (Tom Greatrex) implied that the Government have been verging on the complacent and have not shown urgency, before going on to say that we have one of the best regimes in the world in terms of offshore regulation. It is that exact same regime that will apply to onshore developments and shale gas developments. There will be no difference between the standards that will have to be met by any company wishing to have a licence to explore onshore for shale gas, and those that would have to be met if they were looking for oil and gas resources elsewhere in our territorial waters. That consistency and absoluteness in standards is important.

The hon. Gentleman also asked about our discussions with European Ministers. It is clear that there are different views across the European Union about the role that shale gas can play. Moratoriums have been introduced in France and in other countries, and Poland is actively looking at how shale gas can be explored, but we are in no doubt about the importance of having national regulation rather than EU regulation, because we believe that our standards would only be diminished—this has been shown to be the case in relation to North sea regulation—if we changed to an international approach to regulation.

All onshore oil and gas projects, including shale gas exploration, require planning permission from the appropriate planning authority. The hon. Gentleman listed a number of issues about which he has concerns, but they are all already taken into account by the environmental consents that are necessary. He also asked about our contact with the Health and Safety Executive. The most important thing of all about the relationship with the HSE is that it is not accountable to me. The Department of Energy and Climate Change and I issue the licences, but we do not control the health and safety legislation; that is independent. It is a core part of our safety approach in the United Kingdom, and it comes under a different Department. We have a good working relationship with the HSE and need to understand its concerns, but I am not in a position to put any pressure on it—nor would I seek to—to meet other objectives.

[Charles Hendry]

Any applications are subject to environmental regulation by the relevant environmental agency—the Environment Agency in England and Wales, or the equivalent bodies in Scotland and Northern Ireland—and are subject to safety regulation by the HSE or its Northern Ireland equivalent. They also require specific consent from the Department of Energy and Climate Change before drilling activities can commence. My hon. Friend the Member for Southport expressed concern about the use in our response of the words "may" or "might". The reason for that is that we do not take a cast-iron approach to every single application. Every single application will be judged on its merits, and if there are issues that require us to go further, we will of course do so. For every single licence application, we will be certain that the most stringent environmental applications and measures can be put in place.

The hon. Member for Southampton, Test (Dr Whitehead) and my hon. Friend the Member for Southport have asked about the abandonment of wells. In the granting of a licence, the local authority, which is also involved in the process, can require a provision to be made for restoration if a project is abandoned.

Grahame M. Morris (Easington) (Lab): The Minister is always generous in giving way, and I appreciate that. Will he offer a clarification on environmental controls? The hon. Member for Tamworth (Christopher Pincher) raised a point about the depth of the fracking compared with the depth of the water table, and said that there was no prospect of contamination. I understand the point that the hon. Member for South Suffolk (Mr Yeo) made about the integrity of the wells, but in the north-east we have had huge problems with mine water pollution and contamination. Will that be a consideration for the Environment Agency in determining licences?

Charles Hendry: The hon. Gentleman raises an important point. One thing that struck both the Select Committee and me when we visited Cuadrilla's site in Lancashire was the immense separation distance—it is thousands of feet—between the water table and the area where the shale gas was being sought. The company drills below the level of the water table, and then encases it in concrete. Only then, when it has been sealed, do they drill further down to where the shale gas is. The point has been made clearly that, as long as the well retains its integrity, it is very difficult to see how there can be any contamination of the water supplies. The way in which the operation will be carried out and the standards that will be used will be an absolutely integral part of deciding whether a licence should be issued. We do not just look at the application in itself; the company must have the technical and economic expertise to carry out the work to the required standards. There is no question of cutting corners. We are adamant that the highest environmental standards must be applied as the technology progresses.

These are early days for shale gas in the United Kingdom. The pattern of development in a new basin in the US has shown that there are roughly three phases. The first is the initial discovery and the appraisal wells to prove the presence of the gas and the size of the resource. The second is an experimental phase, in which explorers work out the best techniques for obtaining production from the particular shale, which may take some time. The third is the production phase, in which an efficient pattern of production wells can be drilled to extract the gas on a commercial basis. Clearly, we in the United Kingdom are right at the beginning of the process. Only a handful of wells have been drilled, and their production potential has yet to be quantified.

Although it is encouraging that Cuadrilla believes that it has good quantities of shale gas in the rocks underlying its licence area in Lancashire, it is, as I have said, still very early days for shale gas in the UK, and I think that it is too early to know how significant shale gas may prove to be as a contributor to future UK energy supplies.

When he opened the debate, my hon. Friend the Member for South Suffolk talked about the reserves in place. At this stage, we should recognise that these are not reserves but gas in place. The recoverable amount is a small proportion—often about 10%—of the total reserves. Nevertheless, even with a large estimate of gas in place, the reserves could still be significant.

Comparisons have been made with the United States. It is right to recognise that there are significant differences in the United Kingdom that will determine the pace at which things progress here. As the hon. Member for Southampton, Test, has said, there are differences in the ownership of mineral rights, which is a critical issue for development. There are some 30,000 operational shale gas wells in the United States, so the scale is of an entirely different magnitude from anything that we can foresee happening in the United Kingdom.

That leads us to the issue of price separation, to which my hon. Friend the Member for Warrington South (David Mowat) referred. We have seen the separation of gas and oil prices in the United States. My assessment is that that will happen gradually over time in Europe, probably in the middle of this decade. Shale gas in the UK will not be a driver of that. We will look at developments with great interest, but at the moment we should be cautious. We are in no doubt that gas and shale gas can be part of the mix as we progress.

We are aware of reports from the United States of issues linked to some shale gas projects. There have been reports of contamination of water supplies with either methane or fracking fluids, and of explosions, and there is dramatic footage of householders setting light to their kitchen taps, as has been mentioned. I had not heard about the blackbirds tumbling from the sky, but we will, of course, set up a taskforce immediately to assess whether that needs further consideration—actually, we will not. If there is clear evidence that that is a problem—

Mr Dai Havard (in the Chair): Joy and disappointment for the Royal Society for the Protection of Birds, all in one sentence.

Charles Hendry: All in one sentence. There is certainly joy for the Treasury at the end of that sentence, when I did not commit to setting up a massive taskforce to investigate something that is as yet unproven.

Where those reports have been investigated by the relevant US regulators, the evidence so far is that no incident of water contamination by methane has been attributed to fracking operations, and that the few

incidents of contamination of water resources with fracking fluids were caused by accidents on the surface, rather than underground leaks of any kind. Also, some incidents of methane contamination of water were not attributable to oil or gas operations at all; they were caused by methane of recent biological origin.

However, there were cases in which gas leaks had occurred. That was attributed to unsatisfactory well construction or cementing. That confirms, if any confirmation were needed, that drilling for shale gas—like drilling for any other kind of oil or gas—is a hazardous operation that requires careful and consistent regulation. However, that also supports the Committee's conclusions that there is no evidence that the fracking process itself poses a direct risk to underground water resources, and that the risks are related to the integrity of the well and are not different from those encountered in conventional oil and gas extraction.

The Government and their regulatory agencies will continue to study the experience already gained in north America and its relevance to shale gas activities in the UK. It is, of course, necessary to make the point that UK conditions, including its geology and its regulatory framework, are different, and there will not necessarily be any straightforward read-across. However, it is clearly important that we learn from the US experience, as the Committee recommended.

The UK has a long history of onshore gas exploration, and the range of techniques employed in shale gas drilling and testing operations are broadly similar to those used for orthodox gas production. We have a strong regulatory safety and environmental regime in place, administered by the HSE, the relevant environmental agencies and my Department, to ensure that potential risks to safety or the environment are properly managed. There is scrutiny by the regulators, and that is why we believe that shale operations, as permitted in the UK, are safe, and that there is currently no justification for a moratorium. Again, we welcome the support of the Committee on that point.

I can confirm that, as the Committee recommended, current shale gas operations in the UK are being carefully monitored by the HSE, the Environment Agency and my Department. The three regulators are regularly in touch to exchange information and to ensure effective co-ordination. According to present information, the Environment Agency does not consider that current operations pose a risk to the environment, including water resources. Of course, that has been an important theme of the debate. Some 99.7% of the fluid used in fracking operations is water. If anyone wished to use additives in that process, they would need to be absolutely clear about what those additives were. They would also have to satisfy us on how those water resources will be handled when they are brought back up to the surface. Stringent measures are in place to ensure that they cannot be disposed of without being taken through a proper process. If there is any spillage, a plastic membrane is on the ground to ensure that the fluid cannot leak back into the ground.

The debate has also focused on the seismic tremors experienced near Blackpool in April and May. Following those tremors, DECC had discussions with Cuadrilla and agreed that a pause in hydraulic fracture operations would be appropriate, so that a better understanding can be gained of the cause of the seismic events.

The hon. Member for Wansbeck (Ian Lavery) is an absolute expert when it comes to understanding the nature of the issues. He has spent his entire career in an industry that is involved in underground development. There is much expertise that we can transfer from the coal industry in order to understand the impact of different underground activities. However, I assure the hon. Gentleman that there is often a strong connection between coal mining and seismic activity—much greater than there is in relation to fracking. Of course, those processes take place at different levels. Shale gas development normally takes place thousands of feet further below the surface than coal mining, so there are additional reasons for believing that such operations can be done in a safe and proper way.

A geo-mechanical study undertaken by the company was delivered to my Department yesterday. The implications of that report will be reviewed very carefully in consultation with the British Geological Survey, independent experts and the other key regulators before any decision on the resumption of hydraulic fracture operations is made. I reassure the Committee and others that the highest environmental standards and measures, which we believe will carry public support, will be part of that process. I pay tribute to my Parliamentary Private Secretary, my hon. Friend the Member for Fylde (Mark Menzies), who has been assiduous in understanding the issues. The approach that he has called for—the close monitoring of operations and a gradual progression of shale development—is the right way forward.

In conclusion, this has been a very useful discussion of the issues raised by the Committee's report. I stress that we have a robust system in place in the United Kingdom to ensure that shale gas activities—and other oil and gas activities—are conducted safely and with proper protection of the environment. When significant new issues such as seismic tremors arise, we must ensure that we have the capacity to deal with them effectively. I assure hon. Members that we will continue to maintain that rigorous approach.

Mr Dai Havard (in the Chair): Before I call Mr Yeo, I should explain that Mr Gale and I have taken an innovative approach today. The reports under consideration come from the same Select Committee, and there is clearly an interrelationship between them, so Mr Yeo will now be asked to do a very interesting thing: make his summary remarks on the last debate and coincidentally introduce the next subject. I call Mr Yeo.

4.16 pm

Mr Yeo: I welcome you to the Chair, Mr Havard. I am grateful for the flexibility that Mr Gale and you have shown in guiding us on how to proceed with the debate. If those hon. Members who were unable to speak during the shale gas debate catch your eye later, they might be able to mention shale gas in relation to electricity market reform.

This debate has shown Parliament absolutely at its best, which is probably why not a single word will be reported in the press or by the electronic media. Hon. Members of all parties have made a genuine effort, and have come to the issue from very different standpoints. Some have a long professional background in the industries, some have a constituency interest, and others are Committee members. Everyone has been trying to find the right

[Mr Yeo]

solution to a new and interesting but complex issue. If we get the right outcome, it could be very beneficial for Britain. I hope that it might also be economically beneficial to areas where shale gas can be recovered. There could be some benefits in terms of employment, although it is easy for those to be exaggerated. That is all extremely good news.

I pay tribute to my Select Committee colleagues, who are a hard-working bunch. They have taken a thoughtful approach, and I am pleased that we have mostly managed to achieve a bipartisan outcome. We have shown that a bipartisan approach can be achieved on such very important issues—even between colleagues who have slightly different views. The issues have long-term consequences, which makes that approach particularly valuable.

On shale gas, the differences of opinion are more of emphasis than of principle. This is very much a work in progress for the Government, the industry and probably the Committee. I am sure that we will want to return to the matter. I am grateful to colleagues who have praised the Committee's work and the report. I hope that those comments will be noted by the staff who have assisted us in our endeavours.

I welcome the Minister's reference to the fact that seismic events also occur as a result of coal-mining operations, and not just because of fracking. We must consider the issues in a general context. I am grateful to him for reminding me of the difference between gas in place and actual reserves. I may have loosely confused the terms when I was speaking. I did not mean to; I understand the difference, which is very important.

I am grateful to my hon. Friend the Member for Warrington South (David Mowat) for rightly distinguishing between the low-carbon and renewables objectives, which also, rather unhelpfully, sometimes get confused. I would like more emphasis on low-carbon targets, and perhaps less emphasis on renewables, because we must focus on emissions reduction.

Electricity Market Reform

[Relevant documents: Fourth Report from the Energy and Climate Change Committee, Session 2010-11, HC 742, and the Government response, HC 1448.]

4.18 pm

Mr Tim Yeo (South Suffolk) (Con): I remind hon. Members of my entry in the Register of Members' Financial Interests, which relates to a number of businesses in the energy and transport industry.

This debate is also timely. Electricity market reform is very much on the agenda of policy makers, industries, non-governmental organisations and even consumers. We are in a crucial period for energy policy decisions. As I mentioned in the previous debate, the three drivers—independence and security, emissions reductions and price—will be uppermost in our minds. In addition, the consequences of the decisions taken during this Parliament will be far-reaching and long-lasting. With that in mind, I believe that the principles of EMR are right, and I congratulate the Government on moving substantially in the right direction after a period when energy policy was at a bit of a standstill in the UK and time was lost unnecessarily.

With a quarter of our electricity-generating capacity shutting down in the next decade as old coal and nuclear power stations close, more than £100 billion of investment will be needed to build the equivalent of 20 large power stations and to create a new low-carbon energy infrastructure. In the longer term, by 2050, electricity demand is likely to double as more transport and heating is shifted on to the electricity grid.

Let me straight away address emissions reductions, which are the second driver of policy. A clear target for decarbonisation would increase certainty. The Government's goal to largely decarbonise the power sector by 2030 is a bit too vague for my liking. The Energy and Climate Change Committee's report recommends that the Government should set a specific target of 50 grams of carbon dioxide emissions per kilowatt-hour by 2030, and should also set out a clear trajectory on how Britain should reach that target. I regret that the Government have so far not accepted those recommendations, but merely reiterated their intention that the sector be largely decarbonised by 2030.

As important as a clear target for decarbonisation is the need for a stable policy framework. Another priority for Government must now be to create confidence for investors quickly, but without setting the level of renewables obligation certificates, feed-in tariffs and other incentives for low-carbon energy at levels that are so generous that the subsidies become unaffordable. The huge spend of more than £100 billion may be beyond the resources of the big six energy companies, so Britain must compete for energy investment in a global financial market at a time when many other countries are also seeking huge funds to increase their electricity-generating capacity. For many years, the major utilities have financed renewable projects as well, but their balance sheets are now being loaded up with increasing levels of debt at a time when there are competing investment opportunities and when prices are under pressure. The challenges of financing the new investment that is needed, especially in low-carbon technologies, are formidable.

The main mechanism for creating certain returns for low-carbon electricity generators in the long term will be feed-in tariffs. The White Paper has improved the proposals for feed-in tariffs, again reflecting the recommendations from the Committee:

"different levels of Feed-in Tariff…are required to support technologies at different levels of maturity and with different financing needs."

We also said that the Government

"should set out conditions under which it would shift to an auction-based process in the future."

The White Paper suggests a move to an auction-based approach. It accepts the need to begin with technology-specific auctions before moving to a general low-carbon option in the longer term. It suggests that technology-specific auctions or tenders will start by 2017, and that greater competition between the technologies will be introduced in the 2020s. Again, I support that approach and look forward to learning more details in due course. I invite the Minister to set out the thinking behind those dates if he can. For flexible and base load carbon generation, feed-in tariffs with contracts for difference will be used on a reference price, such as the annual electricity price.

Detail about how that reference price will be calculated is very important and eagerly awaited. For intermittent low-carbon generation, average prices are generally a problem, because when they are generating wholesale prices tend to be low. The best prices are clearly likely to be when the wind is not blowing. Basing the top-up for intermittent generators on the market price they actually receive, rather than an average, would give more certainty, although that might also have cost implications. In the meantime, against the background of rising concern about consumer prices, I invite the Minister to explain how he hopes to ensure that the levels of support offered by the feed-in tariffs will also be economically efficient and affordable.

It is important that lessons are learned from recent experience with ROCs and small scale feed-in tariffs. The Committee's report recommends that the process of setting subsidies should be transparent. Levels must be set for a defined period, with clear triggers that would activate a review if levels need to be reassessed so that investors are not taken by surprise. The report also states that there must be a clear mechanism to allow levels of subsidy to shift automatically in response to changes in the cost of low-carbon technologies. The contracts for difference regime provides an umbrella mechanism, under which the levels of support for each technology can be set. This makes it possible to stimulate the deployment of different low-carbon technologies by adjusting the strike price. However, I hope that Ministers avoid the temptation to tinker with the regime too often early in the process through too many early reviews of support levels. The regime is open to that, but I hope that that temptation will be avoided. I therefore invite the Minister to put in place an automatic mechanism for feed-in tariff strike prices to respond to changes in cost and thus avoid the problems seen recently with the solar PV feed-in tariffs.

Will the Minister set out in advance the dates when the Government will review the feed-in tariff levels and make a commitment to avoid early reviews? We also need the right kind of institution to implement the feed-in tariffs. The report concludes that the Department of Energy and Climate Change must identify which institution will be given the power to create appropriate contracts and set this up as quickly as possible. If that role is not taken on by Ofgem, a shadow body should be set up in advance of legislation. The agency must be totally independent and not susceptible to political influence.

The Government appear to have agreed to this recommendation, however the details of the kind of institution that will be counterparty for the feed-in tariffs are still rather scarce. Will the Minister shed more light on the details of this institution, and on how responsibility will be divided between the feed-in tariffs institution and the Government? Who will actually decide the levels of support for different low-carbon technologies and the overall energy mix?

On the assumption that substantial investment in low-carbon generation will take place, the problem of intermittency must also be addressed. New capacity is required to fill the gap when generation shuts down, but the capacity mechanism proposed may not be available soon enough to achieve that. In future, however, we are likely to have more inflexible and intermittent generation. Some premium payment may be needed to ensure that enough flexible generation is available to meet demand. The White Paper does not present a finished design for a capacity mechanism, but it sets out two options: a "targeted mechanism" in which a central body would procure a strategic reserve that would not participate in the electricity market and would only be used under "exceptional circumstances"; and the introduction of a "reliability market" to operate alongside the electricity market, in which generators would receive a payment for the availability of capacity, as well as for the actual electricity that they generate. Prices would effectively be capped so that generators receive a predictable but low-level payment from the capacity market in exchange for forgoing very high prices in the electricity market at times of peak demand. Both the targeted mechanism and the capacity market would also be open to demand-side response.

Will the Minister clarify what kind of plant will fill the capacity gap, which could influence the kind of capacity mechanism that is needed? If an existing high-emission plant is expected to run for very short periods—for example, oil-fired generators—an early signal will be needed before these plants shut down. Otherwise, there is a danger that some serviceable plants that could run for a few hours a year will close down and leave us needing new reserve capacity.

I have previously expressed my support for the principle of emissions performance standards. However, the EPS proposed in the White Paper will not have any material impact. An EPS set at 450 grams of carbon dioxide per kilowatt-hour, with exemptions for carbon capture and storage demonstration plants, does not provide any additional environmental benefits beyond existing planning requirements. I note that the Government plan to review the EPS level and the grandfathering arrangements in 2015. I hope that the Minister will recognise the advantages of setting out well in advance how the EPS may become much tighter. Unexpected changes are obviously potentially harmful and a deterrent to investment.

The Government have proposed that the EPS would be grandfathered for a predetermined period—for example, 20 years—rather than for the economic lifetime of a particular plant, as previously suggested. However, even

[Mr Tim Yeo]

a 20-year period would allow gas-fired power stations built before the 2015 review to operate unabated into the 2030s, which could make achieving our long-term climate goals much more difficult. Some of what was said in the previous debate is also relevant to that point. Will the Minister say how often he expects the EPS level to be reviewed, and whether he would consider setting a long-term trajectory based on the carbon targets set in the fourth carbon budget?

Let me turn briefly to the carbon price floor. In Brussels last week, Commission officials seemed rather baffled by this. They felt that it would do nothing to reduce EU emissions, because any reductions would be soaked up under the cap in the trading sector. In effect, there is a danger that it will mean that the UK pays more for its emissions reductions, provides a subsidy to other member states and reduces the economic efficiency of the emissions trading system. Our report recommends that the Government should explain how they plan to deal with the problem of potential windfall profits arising from the introduction of the carbon price support, as set out in the White Paper. We suggest that the White Paper should set out in what circumstances the Government would take action to address any resulting windfall profits. If such measures were to involve a tax, what would happen to the revenues? Would it be matched by an increase in the support for a green investment bank?

In the event, the White Paper left the issue of windfall profits arising from carbon price support untouched, but the Committee believes that such profits could accrue from the increase in electricity prices resulting from the price floor and that they will be enjoyed by current low-carbon generators without any effect on the proportion of low-carbon generation in the short term. Can the Minister comment on the possibility that the carbon price floor would raise electricity bills until the 2020s without stimulating additional emissions reductions?

The dominance of the big six is another topic much in people's minds. Reform of the wholesale electricity market is now widely regarded as essential. The big six generate around 80% of the electricity in the UK and supply 99% of electricity to retail customers. Does the Minister agree that real competition is needed in the wholesale and supply markets, so that consumers can be confident that the path to a low-carbon economy is being followed in the most efficient way possible? Does he agree that competition is vital to ensure that consumers get a fair deal? The big six are almost unchallenged in the sector, as they dominate both generation and supply, and little room is left for independent or decentralised generation.

The lack of liquidity in the market makes it hard for potential investors to have confidence in the prices that they will receive. Currently, our electricity market—for GB day ahead—trades volumes of around 40 GWh per day, with a further 200 GWh traded through the brokered markets, compared with markets such as Germany and Nordpool, which clear between 500 GWh and 750 GWh each day. An illiquid and opaque wholesale market poses difficulties for new entrants and can weaken the effectiveness of the feed-in tariffs proposed by the Government. Is the Minister contemplating a more thorough plan for reform of the wholesale and balancing markets—in other words, real electricity market reform?

In that context, the Committee recommended that the Government incorporate a review of the present trading arrangements and of liquidity in their White Paper, but the Government largely delegated the responsibility to Ofgem, which has subsequently proposed that utilities must auction 20% of their electricity by 2013 in a range of products including near-term supply. It is not clear, however, that the 20% will make a sufficiently big difference. Scottish and Southern's pledge to sell 100% of its electricity in the spot market is welcome, but the details about how SSE will deal with its futures contracts still need to be spelled out if we are to see what benefit will be achieved.

I entirely share the Government's reluctance to consider a reference to the Competition Commission because of the delay involved in a report and any conclusions. Ofgem has for a long time been responsible for tackling the problem, but we need to do more to ensure real competition by the time that the EMR proposals are finally implemented in two or three years. The White Paper acknowledged:

> "To the extent that there are continued barriers to entry that are not addressed through Ofgem's actions, the Government will work with all stakeholders to identify appropriate solutions."

That seems to emphasise the option of more Government intervention if Ofgem's liquidity reforms are insufficient.

My Committee also argued that the EMR proposals could be jeopardised by the lack of competition. A liquid market with clear price transparency is particularly important for small suppliers and generators, and we argued that a strong reference price would need to be given by the market to give confidence to small suppliers wishing to invest, and to give a credible strike price for the contracts for difference. We were glad to hear that the Secretary of State has taken up our call to break up the dominance of the big six. However, leaving the responsibility for improving the sector to Ofgem does not guarantee that that will happen. The Government's response stated:

> "To the extent that there are continued barriers to entry that are not addressed through Ofgem's actions, the Government will work with all stakeholders to identify appropriate solutions."

Can Ministers explain when they will judge whether Ofgem has been successful in addressing the barriers to entry, and on what basis they will make that judgment?

Recently, the energy sector has been delivering investment of only £6 billion or £7 billion each year, according to Ernst and Young, and uncertainty about or delays in implementing EMR might even reduce that figure. Will the Minister tell us how much investment there has been in the past year, since the EMR proposals were first mooted? Does he believe that we are on track to achieve the £200 billion figure widely quoted as necessary? If we continue to attract less than £10 billion a year through till 2014, that will leave quite a big burden for the remainder of the 2010s.

Time is short and several of my colleagues wish to contribute to the debate, so I shall conclude. I hope that the Government recognise the urgency of reaching conclusions in the EMR debate, because we are in danger of creating a period of hiatus for investment. I am disappointed that the timetable for publishing the

new energy Bill, on which my Committee has been invited to conduct pre-legislative scrutiny, appears to be slipping a bit, and important chunks of the Bill might not even be available in time to scrutinise. However, I look forward to what my colleagues and the Minister have to say.

Mr Dai Havard (in the Chair): In my estimation, we probably have about 25 minutes for a general debate to leave enough time for the Opposition spokesman and the Minister to speak and for Mr Yeo to reply, should he wish to have a few minutes at the end. Perhaps hon. Members will take that into consideration.

4.36 pm

Barry Gardiner (Brent North) (Lab): My pleasure at speaking under you as Chair, Mr Havard, is exceeded only by my awe at having to follow my own Chairman of the Select Committee, the hon. Member for South Suffolk (Mr Yeo), who in his 16 or 17 minutes did not canter but gallop through the entire report in the most comprehensive fashion.

I often think of the Minister, for whom I have the greatest respect, as sitting in his Department twiddling a Rubik's cube. The trouble is that someone has peeled one of the colours off this particular Rubik's cube and put the wrong colour in its place. No matter how hard he tries to get the six sides all looking as they should, the task is pretty impossible. I do not underestimate the challenge faced by the Minister.

We need to replace 25% of our existing generating plant by 2020 merely to keep the lights on—that is one side of the Rubik's cube. We are obliged by the European Union to have 30% of our electricity come from renewable sources by 2020—currently it is only 7%—and that is another side of the cube, as is energy consumption in the UK being set to double by 2050 if we continue with business as usual. We also need to tackle fuel poverty and to keep prices low, and that is a big side of the Rubik's cube. We need to decarbonise our economy to combat climate change—yet another side. The sixth side is that we need to incentivise £200 billion of investment in new capacity and infrastructure in the space of only nine years. The puzzle is intractable indeed.

Take any two of those sides at random, such as the renewables obligation and low fuel prices. Professor Dieter Helm, in his evidence to the Committee, dismissed the Government's projection of only minimal rises in customers' bills by 2020. He told the Select Committee that to think that energy efficiency and other demand reduction measures could balance the increased costs of low-carbon supply to the extent that the effect on consumers' bills would be only 2%,

"is again really stretching one's imagination."

Let us pick another two sides of the cube: what of delivering £200 billion-worth of infrastructure and of decarbonising our economy? Investment analyst Peter Atherton told the Committee that

"it is going to be extraordinarily difficult to get non-recourse debt into new nuclear in the UK. That basically means that it all has to be done on balance sheet."

The Government's strategy is market driven. It is predicated on getting the right incentives and believing that the market will then arrive at the correct solutions.

There are four pillars. Feed-in tariffs will incentivise at two levels. First, by encouraging microgeneration and paying people for the energy they feed into the grid through their solar panels and domestic wind turbines. No doubt we will come back to solar panels later. Secondly, by giving a long-term contract to large-scale low-carbon generators like offshore wind farms. This will guarantee a better price to them in comparison with carbon-intensive generators such as coal or gas-fired power stations. Those are the "FITs".

Carbon price support is like a tax on carbon, as the Chairman of the Energy and Climate Change Committee said. It simply makes the cost of generating electricity from fossil fuels more expensive, and that means that carbon-free generation like wind becomes relatively more attractive the higher the Government set the carbon price.

Capacity payments, the third of the four pillars, are the price the Government are willing to pay to ensure that back-up is always available. The system needs flexible generation that can respond to the peaks of demand and any gaps in supply. They propose payments to generators that will give them increased certainty of revenues if they guarantee to be available when other supply is not—for instance, when the wind does not blow.

Emissions performance standards is the fourth of the pillars: the final tool in the Government's incentives box. In reality, the EPS is more a disincentive, because it simply proposes a ban on any generator emitting more than a certain level of CO_2 per kWh. The Government want to set that limit at 600 grams of CO_2 per kWh. In practice, this would stop only unabated coal—the coal-fired power stations that did not have CCS fitted to reduce their emissions. It would still be enough to allow gas-fired stations. That is not good enough, given the Committee Chairman's earlier remarks about adopting the Committee's fourth carbon budget with targets of between 40 grams and 60 grams per kWh.

If the banking crisis should have told politicians anything, it is this: a strategy of "incentivise and then sit back" ignores the fact that markets need more than incentives. Markets need certainty, capacity and regulation. Peter Atherton put it nicely when he told the Committee:

"I warn you that it is not a question of making the rewards more and more, because the more you make the rewards, the less trust investors will have that those rewards are going to be sustainable."

He went on:

"There are really five big risks: planning, construction, power price, operation and decommissioning."

The mistake that the Government appear to be making is to think that by putting greater and greater incentives on power price, they can resolve all the problems that need to come within electricity market reform.

The EMR set out three high-level objectives: decarbonisation of the electricity sector, energy security and affordability. I wish to focus for a moment on affordability, because it is becoming—certainly for my colleagues—one of the biggest issues that we find on the doorstep. One in every four households in the UK is now classed as fuel-poor. A fuel-poor household is defined as one where the expenditure required to maintain adequate warmth exceeds 10% of household income.

[Barry Gardiner]

It is a measure of the number of households needing to make impossible decisions on expenditure just to meet their basic human needs.

If we look across Europe, there is no pan-European definition of fuel poverty. In other countries, fuel poverty might fall within general poverty alleviation programmes, or it may simply not be recognised as a major problem. Cross-country comparisons therefore are difficult and they need to employ indicators such as the winter variation in mortality levels or the number of people in arrears with their utility bill payments.

The Labour Government brought in winter fuel payments for the elderly to tackle fuel poverty, and no doubt my colleagues will point to figures that show that excess winter deaths plummeted from almost 50,000 in 1999-2000 to 25,000 in 2009-10. The truth is that while Labour can claim real success by acting to increase household income, if we look at the figures over an extended period, it becomes evident that the net effect of our winter payments strategy was only to hold winter deaths broadly static when otherwise they might have increased. If one goes back to 1993-94, one sees that excess winter deaths were again 28,630. In 1994-95, the figure was 29,720. It rose to a peak in 1999-2000, but in 2007-08 it came down to 27,480. That shows the danger of focusing on just one aspect of a problem.

Winter mortality in other European countries reveals some surprising trends. The countries with the highest winter death rate are Portugal and Spain. That is counter-intuitive, but easy to explain when one considers the low level of home insulation. What emerges clearly from such comparisons is that there is a strong correlation between thermal standards in housing and excess winter deaths. That excess winter mortality is almost twice as high in England as in Finland or Germany cannot be directly attributed to weather. However, precisely because of its cold climate, Finland already has very demanding thermal insulation requirements.

By contrast, the coalition Government have just introduced their warm home discount scheme where energy suppliers will be obliged to give rebates of £250 million in 2011-12, rising to £310 million in 2014-15, to vulnerable customers. It is astonishing that the UK continues to focus on financial solutions to what is essentially a technical problem of building standards. On the Minister's overview of the industry, I urge him not to repeat the mistake of which I have already accused him once this afternoon by adopting a single focus solution to a problem. I fear that is what happens.

The Government have also failed to control the soaring costs of energy charged by the big six utility companies. Again, the Chairman of the Committee made strong reference to this in his remarks, because it is a major focus of our report. Household bills have increased on average by 71% in just five years. The latest attempts by Government to reform the electricity market once again let those companies off the hook by failing to break up the vertical integration of the companies.

Vertical integration allows a utility company to generate the electricity under one arm of the company, which it sells through an intermediary—often offshore—which they also own, and then on-sells to another arm of the corporation, which supplies it to us as the consumer. The result is a total lack of transparency in the true cost of electricity. All the big six operate similar structures, which prevent real competition and stop new entrants coming into the market.

When the Committee Chairman mentioned the big six and the break-up of the vertical integration of the market, he alluded to the announcement by Scottish and Southern. It is important to try to appreciate why what sounded like a major announcement from Scottish and Southern to auction all its electricity to household suppliers on a wholesale market is perhaps not the concession or big move that might have at first been perceived. One small supplier that it was supposed to help said that the move was "cosmetic" and will do little to help small suppliers gain market share. That is because the Scottish and Southern Energy Group is freeing up only short-term energy and not the long-term market on which small suppliers rely.

The big six gas and electricity firms buy and sell energy on the wholesale market, but energy is traded in two ways—first on the day-ahead price, which is where SSE said it will auction all its energy, and secondly, by smaller energy firms that trade with a longer view, buying up enough energy for up to two years so that they can guarantee a price for customers. The markets are complex and subject to many external factors that can affect price. First Utility, a small company, says that it buys less than 1% of its wholesale energy on the day-ahead market, and claims that smaller, newer suppliers buy wholesale energy on a much longer-term basis. That is why the move from SSE that the Chairman of the Committee mentioned will not free up the market and help liquidity in the way suggested.

Lack of skills is a problem in driving the investment that we need in industry. It is one thing to get £200 billion of investment, but providing the skills to deliver that is a much greater challenge. The Minister must respond clearly and tell the Chamber how he proposes to make skills available to meet the demand should such investment be obtained.

Mr Dai Havard (in the Chair): Order. I would like to start the winding-up speeches at about five past five and other hon. Members wish to speak. I appreciate that it is a complex report and that huge areas need to be discussed, but I appeal to the hon. Gentleman's internal discipline.

Barry Gardiner: I apologise, Mr Havard; I thought that we were working to a slightly different time scale than that outlined, so I will rapidly bring my remarks to a close. I must, however, focus on this week's events and the change in regulation. I do not suggest that the Government are wrong to change the tariff structure and bring it in line with the levy, but they should do it at the end of March next year when the review was originally planned. By bringing the move forward by a meagre four months, the Government have reinforced a perception in the markets and business that they cannot be trusted to deliver a stable regulatory framework. The Minister shakes his head but he knows that to be true. He also knows that he will be subject to judicial review. Some companies are losing up to 45,000 workers, and many will "JR" the Government's decision because there is a consultation period that extends 11 days beyond the deadline at which the change of tariffs will come into effect. That is dishonest and the Government are wrong to go down that route.

4.53 pm

David Mowat (Warrington South) (Con): I have already spoken this afternoon, so I will be brief to let the hon. Member for Southampton, Test (Dr Whitehead) contribute to the debate. I liked the Rubik's cube analogy that we have just heard; I will not add to that although I want to raise a couple of points that have not yet been discussed. We have spoken a little about fuel poverty, but we have not specifically mentioned energy-intensive industries. I know that proposals on that are to be published and I await them with interest. It is a major problem. I was recently told that INEOS in Runcorn uses about as much electricity as Liverpool. That is a continuum; it is not a discrete industry, and to a greater or lesser extent, all industry uses electricity. At a time when we are rebalancing our economy, it is worth noting that a unit of GDP obtained from manufacturing will always require more energy than one obtained from services.

I have two specific points. First, paragraph 37 on page 15 of the report states:

> "It is important that the Electricity Market Reform package is geared to deliver our renewables targets as well as our decarbonisation objectives."

The Government agreed with that conclusion and although I looked carefully at the logic behind it to try to find evidence for it, I could not. Cutting 80% of our carbon emissions by 2050 is a difficult challenge, and I am concerned that we are introducing subsidiary targets that will make it harder. Of course renewables are part of the solution, and nothing in my remarks should imply otherwise, but if we elevate renewables over and above other methods of reducing carbon, including nuclear power and a little bit of gas, we could be driven to make wrong decisions. I think that to an extent we are doing just that.

We have just heard an exchange about the cost of solar power, which is still high. A finding by the Parliamentary Office of Science and Technology and Cambridge university suggested that, over its lifecycle, solar power uses three times as much carbon as nuclear power, including the manufacturing cost of PV cells. I support the objectives of decarbonisation, but I wonder whether some of the renewables objectives could be a distraction.

My second comment on the report links to the previous point about fuel poverty. We have a problem with cost, which we are ducking. The danger of doing that is that it could become a cumulative issue, meaning that we will never address head-on the question of why the costs involved may be a price worth paying. We have heard in previous debates about the numbers of people who are dying in our country from fuel-related issues such as hypothermia—I think I heard the figure of 2,500 a year. Page 61 of the report implies that the EMR reforms, which I broadly support as a sensible way of achieving our objective, will have a maximum impact on energy prices over three decades of 7%—that is the highest number on the chart. That figure is based on a set of assumptions that I could not find and that I am not sure have been published. Unless we take seriously the extra costs associated with some of our actions in terms of interfering with the market, we will lose popular support for some of the things we are rightly trying to do.

4.57 pm

Dr Alan Whitehead (Southampton, Test) (Lab): I will limit my remarks to one or two points. One disadvantage of having such a knowledgeable, far-sighted and competent Committee Chair is that after he has spoken there are few sensible contributions left to make. I will, therefore, confine my remarks to one or two less sensible points, which I hope will add something to the debate.

In the Green Paper, and certainly in the subsequent White Paper published after the Committee's report, one must look a long way to find comments on electricity market reform. Although the White Paper addresses a range of topics, such as capacity, the carbon floor price and energy performance standards, its central oddity is that it leaves the electricity markets as they were designed 10 years ago under NETA—the new electricity trading arrangements. It leaves the electricity markets in pretty much the same place, with the same assumptions and mechanisms. However, it countenances a very different landscape as far as electricity trading is concerned.

When NETA was set up, there was a substantial number of wholesalers selling and retailers buying. That is no longer remotely the case—not by conspiracy, but through the accretion of suppliers, generators and retailers into the big six. By accident, what has come about is, in effect, a cartel—we have to say that—that essentially hedges, using the strategies that my hon. Friend the Member for Brent North (Barry Gardiner) mentioned: it buys on the futures market and sells to itself, using the same market mechanisms, and therefore pretty much bypasses most of the things that NETA was originally set up to do.

When NETA was set up 10 years ago, it was carbon-blind. Its purpose was to secure, among other things, the cheapest price between wholesale and retail. In the early stages, it looked as though it was substantially succeeding in doing that, until other factors took over. However, there was the emergence of what one might call the other things that are central to the electricity market reform White Paper. To some extent, they were mechanisms that mediated that central electricity market. The renewables obligation, for example, was a mechanism attached to the original NETA/BETTA system to bring renewables to market; to underpin emerging technologies; and, in an echo of the recent debate on feed-in tariffs for solar photovoltaics, to recognise that over time the obligations may change as the technologies come to market. Nevertheless, the aim was to underpin those technologies in the first place.

Now, as hon. Members have said, we need to decarbonise our electricity market rapidly and invest substantially, not just in replacing capacity but in providing additional capacity, because of the nature of the capacity that we are bringing on board as far as the low-carbon market is concerned. We are talking about perhaps £200 billion in investment. All but two of the big six companies have pretty much borrowed up to the limit of their balance sheets, so we need important mechanisms to secure not just the good running of the market, but low-carbon investment on the basis of good value for customers. I do not underestimate at all the breadth of the challenge implied by the electricity market reforms.

There are various things in the reform. The central electricity market remaining must have a substantial question mark against it, with regard to whether it is fit

[Dr Alan Whitehead]

for purpose as one of the central mechanisms driving all the demands forward. I think—evidence was submitted to the Select Committee on this—that a single purchaser pool of some description is a necessary way of dealing with the issues of cartelisation and the lack of transparency in the wholesale market that has emerged. There must also be a question mark against the contract for difference as set out in the White Paper.

Barry Gardiner: I absolutely agree with what my hon. Friend is saying. Will he say something about liquidity and the ability of smaller companies to enter the market with regard to the changes that he is discussing?

Dr Whitehead: My hon. Friend has just stressed that point. Given that I have about one minute left, expatiating on liquidity to any great extent is probably beyond my abilities. However, he is absolutely right to raise the question of liquidity in the market and the fact that as a result of the lack of liquidity, small companies are pretty much shut out from gaining a foothold in the market. Whatever is done about the big six, that is a very important issue.

Finally, I want to emphasise two things. First, the contract for difference as currently proposed conflates mature technology, the overall costs of which will not change, with emerging technology, where costs may well change. That is to say, it rewards, and particularly in the future will reward, old nuclear technology, as well as new nuclear power stations, for their output. That seems—the Committee alluded to this—a considerable concern, given the pronouncements that continue to be made that the Government are in favour of new nuclear but with no public subsidy. It is necessary at this stage to say either that there will be no public subsidy—that nuclear will not be rewarded for being a mature technology in the way that emerging technologies are, but will take its chance in the market—or that we need to do something about public subsidies for nuclear, for reasons that may be perfectly honourable to consider, and we must be up front and deal with that. Electricity market reform continues to fudge that essential choice that we have to make.

Secondly, we have to enter into capacity payments with a clear understanding of demand-side analysis, which is substantially missing from the proposals in the electricity market reform White Paper. We need to consider capacity payments for energy efficiency and reduction in output, and in relation to things such as interconnectors and electricity storage, which will be an essential part of a balanced, very low carbon economy that takes serious account of the demand side as well as the supply side.

Trying to deal with the entire landscape of electricity market reform in eight minutes flat was a difficult challenge. I hope that I have contributed a few thoughts to the debate, and I look forward to the Minister's response to a number of issues that hon. Members and I have raised.

Mr Dai Havard (in the Chair): I hope that we can give the Minister and Mr Yeo sufficient time to respond to the debate.

5.7 pm

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): I will endeavour to be brief to provide that time, but I want to say a few things. I welcome the report and the clarity that it brings, because it puts very technical issues into relatively plain English. I congratulate the Select Committee on doing that. I am conscious that in coming months, when the energy Bill is published, the Minister and I will have plenty of opportunities to get into the weeds of these issues, so I do not intend to speak for long.

My hon. Friend the Member for Brent North (Barry Gardiner) outlined a number of the issues arising from the EMR process, as well as some of the omissions from the EMR proposals. I will touch on a couple of issues. I want to re-emphasise the most glaring issue, which has been referred to by the Chair of the Committee, the hon. Member for South Suffolk (Mr Yeo), and by other hon. Members—the omission from the EMR proposals of reform of the wholesale electricity market. I hope that between the White Paper and the Bill, the Government will look to deal with that, or others may well do so, because it is a pressing issue. It has come to the fore in recent weeks, and we know the reasons why. Those reasons have been acknowledged by some of the energy companies themselves. In particular, Ian Marchant of SSE has been candid in acknowledging that there is a trust issue. They have a trust issue because the market in which they are operating and the behaviours that go alongside it bear the hallmarks, in some respects, of a cartel. That is unsatisfactory and needs to be dealt with. The Committee report rightly highlights the proposals from Ofgem in relation to the 20% figure as relatively timid, and much more substantial work can be done on that. I am sure that the Minister will appreciate the support from the Opposition if he attempts to deal with some of those issues or, if not, we will find a way of giving him the opportunity to address those issues in the next few weeks.

I want briefly to touch on carbon price support, which the report is critical of. As my hon. Friend the Member for Southampton, Test (Dr Whitehead) has noted, the report reflects on the issues regarding the encouragement of new as opposed to older development. The report states that carbon price support

> "will not influence investment decisions until 2018 at the earliest…Until then, the Carbon Price Support represents little more than an additional energy tax, which will be passed on to consumers."

The hon. Member for Warrington South (David Mowat) has referred to energy-intensive industries. That is an important issue, particularly with the impact that the carbon floor price could have on some of those industries. I have a constituency interest in the issue, as do many other hon. Members. It is important to ensure, as the Select Committee warns, that UK companies are not disadvantaged in the long term compared with their counterparts in the EU and more widely across the world. I know that the Chancellor is seeking to address that issue in his growth statement at the end of the month, and I implore the Government to look seriously at the impact. I know of energy-intensive companies in my constituency that contribute to other objectives set out in the report and in the EMR process—for example, manufacturers of offshore wind turbine parts—and those companies might end up going to other parts of the world, causing the UK to lose growth and jobs.

Other aspects of energy policy will need to change and feed into the time scale of the reform. The Minister touched on one of them when we debated the potential changes regarding shale gas, and I want to refer to another, transmission charging. I know that the Minister now knows the arguments well. The Select Committee report points out that the TransmiT review will have an impact on the development of renewables, the siting of such developments and their attraction in association with the ROCs regime.

I know that the Minister is aware of the way in which such arguments are sometimes used to support a particular political agenda. The issue is not necessarily about discriminating against one part of the country, but it is a fact that the transmission charging regime was established in a pre-renewables world. That needs to change. I hope that if the outcome of Ofgem's review is too timid, the Minister will use his powers to ensure that that is addressed to provide the right signals and basis for the market.

Finally, the Select Committee report notes:

"'Affordable' electricity in the short term cannot be achieved at the expense of meeting the other objectives of Electricity Market Reform. Lower prices cannot be a primary driver of energy policy, but developing greener and more secure sources of electricity needs to be accompanied by sound social policy to protect vulnerable consumers."

We have seen a change in recent months that perhaps calls some of the sentiments behind that statement into question. While it is important to consider the security of supply and decarbonisation, we must always keep the people across the country who are struggling to meet energy bills at the forefront of our minds. The issue is not about a small number of people in fuel poverty, because it affects families and businesses up and down the country. Too often, in some of our discussions, we overlook the impact on consumers. We must ensure that we do not do that when reforming the electricity market and as the Bill progresses in the next Session.

5.13 pm

The Minister of State, Department of Energy and Climate Change (Charles Hendry): We have had an interesting debate. This is one of the rare occasions where one can say that we should have had more time to have a debate on energy; we would happily fill a much longer time scale. That says a great deal about the complexity of the issues, the knowledge of many Members on both sides of the House and our joint determination to try to reach the right conclusions.

Mr Dai Havard (in the Chair): At one point, Minister, I seemed to have managed to stop time, but I cannot stretch time. Carry on.

Charles Hendry: I know that you, Mr Havard, are capable of so many miracles and magical things that we thought that nothing was beyond your capabilities.

The hon. Member for Brent North (Barry Gardiner) made an interesting comparison to a Rubik's cube, but I think of the issue as more of a complicated jigsaw. With a Rubik's cube one makes a move and moves everything else out of place, whereas with a jigsaw, one gradually puts in place the elements that build up the whole picture. One has to do that in a structured and sensible way, because some parts are more complicated than others. Nevertheless, we are keen to take forward the challenge.

What we are about here is securing £110 billion of investment over this decade. The £200 billion includes investment in gas infrastructure, the wires and the pipes, but it is still an enormous investment. It is twice the rate of investment every year of this decade than has happened in the past decade. We need to recognise that the old market structure did not bring forward the necessary investment—it sweated assets to try to keep costs down—and could not price in the cost of carbon, which is one of the big issues that we have had to address. Therefore, I do not see market reform as being about subsidising nuclear, but about how we make all forms of low carbon feasible, affordable and economically attractive.

The Chair of the Select Committee on Energy and Climate Change, my hon. Friend the Member for South Suffolk (Mr Yeo), asked a number of questions when introducing the debate—it was like a bullet train going through the energy terrain. A comprehensive range of issues and questions were raised. He asked how much investment we have seen in the past year. Just in the renewables sector, in six weeks between 1 September and early October, we saw £800 million of new investment, offering nearly 2,000 new jobs, and we expect that to pick up. However, he has had to accept that much of the investment is lumpy—a nuclear power station needs £5 billion or £6 billion of investment, and an offshore wind farm needs billions of pounds of investment. Therefore, there will not be a straightforward progression to 2020, but we will have big steps up over time. We are quite clear that without the measures we are putting in place, it will not be achievable.

My hon. Friend also asked why we had not gone for a target such as 50 grams per kilowatt-hour for the electricity sector by 2030. We will set out our formal response to the Energy and Climate Change Committee later in the year. We recognise, through the work that we have done, that there are a number of ways to reach our 2050 requirement, which is that we need to have reduced our carbon emissions by 80%. There is not just one way to do that, and we need to look at what is the best way. At the end of the day, we need to do it in a way that is cheapest for consumers. A common theme in this brief debate has been to ask how we deliver that in a way that will protect consumers, both industrial consumers and people in their own homes.

We have covered a number of measures regarding market reform, and I want to address each of them briefly. We have adopted a system of feed-in tariffs with contracts for difference, because we believe that that is the best way of getting the best deal for consumers and giving the greatest certainty to investors. By clawing back when the wholesale price is high and paying more when it is low, the system is more predictable, and it is easier to bring in investors from outside.

One of the things that Mr Atherton from Citi, who has been referred to, has not fully taken account of is that we are trying to take the system closer to a regulated rate of return. Many institutional investors, such as sovereign wealth funds around the world, are now looking at the opportunities to invest in the UK energy sector precisely because of the structure that is being put in place and the fact that we think that the CFD mechanism delivers the policy more securely than any other mechanism.

[Charles Hendry]

My hon. Friend the Member for South Suffolk asked us not to tinker with the policy as it progresses. The history of previous Energy Ministers suggests that I will most certainly be long gone by the time anyone gets a chance to tinker, but if I am still in the position at the time, I guarantee to him that the whole system is designed to stop tinkering. It is not just an agreement or Government policy, but a long-term contract that tells investors over 20, 30 and more years how much they will be paid for each unit of electricity generated by a certain technology. That means that we need to build a system that is as close to automatic as possible in order to recognise how the costs are coming down, so that new entrants coming in beyond a certain point understand how they will be remunerated in the process. The policy will also deliver investment, particularly in renewable energy, at a cost lower than that of the existing renewable obligation. As the policy supports all low-carbon technologies, it will make a greater contribution to our decarbonisation targets than is otherwise possible.

The discussions, particularly my hon. Friend's remarks, also focused on the emissions performance standard. My intention with such a standard will be to give a long-term signal for what we believe is acceptable and to start to set out how that degression might take place when it is considered. Above all, it has to be a driver for investment. It is easy to set it in place in a way that kills off investment decisions. How we have done it, which is to say that it will not be reconsidered before 2015 and that investments happening before that will have perhaps 20 years of assured production on a certain emissions level, will strike the right balance.

I was intrigued by the comments my hon. Friend the Member for South Suffolk made in the earlier part of the debate. He sees the role for shale gas as having been underestimated. He said that we should be having much more shale gas and gas in general in the mix, with perhaps less energy from renewables, offset by the structure that he was calling for in the second part of the debate, which would be subject to an emissions performance standard. We will not get the investment that he wants to see in new gas generation if there is a much tighter emissions performance standard biting at an earlier stage on gas generation.

We have also said that the capacity mechanism should be part of this process, because we recognise that we need to know exactly how we will keep the lights on at all times of the year, as well as ensuring that there is back-up capacity and, critically, building in that demand-side response, to see whether we can find cleverer ways of dealing with this than building new power stations that will only be used for a small part of the year. If we can find ways of taking demand out of the system during times of particular demand, it will be a big gain for the consumer and save £1 billion on new plant. Clearly, whether that is a new plant or an old plant going for a few hours a day will depend on how that capacity mechanism is structured. We are determined, however, that that demand-side response element should be part of the structure as well.

The final element of the package is the carbon floor price. The carbon floor price is important for giving investors confidence. Currently, if one looks at the history of the European emissions trading scheme, it has been impossible to guess where it will be in a few months' time, let alone in nine years' time. The people who are making investment decisions that will not come to fruition until the end of the decade need greater clarity. Putting in place a carbon floor price is all part of that process.

The trajectory that we have taken is to show them that we are serious. If we had said, "Yes, there will be a carbon floor price, and it will be introduced by the next Government after the next election, at a level to be established," nobody would have taken that seriously. The way in which that has been done shows a much greater commitment to giving the industry the clarity that is necessary. A measure of success in this will be whether we can bring new entrants into the market. Improved liquidity will be one of the benchmarks by which we can test whether market reform is working. Undoubtedly, we want to see more liquidity and more players. That is primarily the responsibility of Ofgem, and we know that Ofgem will look at this further if that proves to be necessary. The Government have said that they will act, if necessary, to address those structural barriers.

My final point is on fuel poverty and feed-in tariffs. One cannot, on the one hand, talk about concern for those suffering from higher fuel bills and, on the other, baulk at every measure that is designed to take pressure off their bills. The cost of solar technology has come down by around half since 2008. Degression was always built into it, from the very first brochure, signed off by the right hon. Member for Doncaster North (Edward Miliband), who is now the leader of the Labour party. He said that degression should be part of that process. As the prices have gone down much faster than anyone anticipated, it was right to do that. We know that a domestic installation can be done in a few weeks and had we not acted quickly—if it had been announced that it will come into place in the spring—there would have been a complete explosion in demand and installations, which would have completely destroyed the budget that has been set for this and led to the complete collapse of the industry, because anything after that would have been much more draconian.

Barry Gardiner *rose—*

Charles Hendry: I fear that this is not an integral part of the debate on market reform and, while I want to respond to the hon. Member for Brent North, we owe it to the Chair of the Select Committee to give him time to come back.

I do not think that, on the one hand, someone can argue on fuel poverty that they want to take pressure off consumers while, on the other hand, opposing the decisions we take to help consumers, such as the billions of pounds taken off the feed-in tariff costs out to 2020. It is not possible to do both.

Barry Gardiner: Will the Minister give way?

Charles Hendry: I am not going to give way, because I want to give time to the Select Committee Chair. I have spoken for less time than the hon. Member for Brent North, so I hope that he will understand if I do not give way. I am grateful for the advice and input of the Select Committee, and I hope that we can put in place a

structure that recognises the scale of the challenge, the need to decarbonise and the need to rebuild our energy infrastructure, while doing it at the lowest cost to consumers.

5.24 pm

Mr Yeo: With your permission, Mr Havard, I will comment briefly on what has been said. As the Minister has said, it has been another debate that could easily have gone on for longer, which is a tribute to the well-informed contributions. I want to thank my Select Committee colleagues, the hon. Members for Southampton, Test (Dr Whitehead) and for Brent North (Barry Gardiner), who have made useful comments this afternoon. They are also both exceptionally knowledgeable and experienced in these issues. As far as I am concerned, it makes the work of the Committee a pleasure, as well as often being intellectually stimulating. I think that we can continue to prosper together in addressing these issues.

I was also grateful to my hon. Friend the Member for Warrington South (David Mowat) for mentioning the position of energy-intensive industries, which is a real issue. I know that Ministers have confirmed on this and other occasions that it is very much in their minds. One of the things that we do not want to do in our determination to make Britain one of the leaders in moving towards a lower carbon economy is to destroy the competitive position of successful British businesses. That is a tricky balance to strike, and it will need continued attention.

Many points have been raised, and I will not comment on them all. I fully accept what the Minister has said about the potential conflict between a long-term tightening emissions performance standard and my suggestion that we might see significant investment in gas-fired capacity in the short term. We have to find a way of doing that. Obviously, emissions performance standards, which are applied on a per plant basis, would run into that conflict. If the emissions performance standard was applied to a country's whole portfolio of generating capacity, that might offer the chance for a mix. It might also be an incentive for some companies that wanted to expand their gas-fired capacity to invest in some low-carbon alternatives. There needs to be a bit of imagination applied to how the EPSs could operate in this way, without ruling out the prospect in the near term of some new investment in gas. Of course, the pre-2015 investments will, in any case, be grandfathered for a sufficiently long period for investors to have a return.

I was glad that the Minister confirmed that the Government are keen to see barriers to entry in the market minimised. That is a work in progress. We have to see how Ofgem's measures apply and whether they are successful. If they are not, we will have to return to that issue urgently, because it is one of the real difficulties, which has blind consequences for consumers as well.

I accept the Minister's concern about the impact on consumer prices of the cost of various forms of incentive for low-carbon energy. Again, there is a trade-off that we have to reach the right judgment about. We all want to see a substantial, rapid increase in low-carbon electricity generation, but many of those low-carbon technologies require an incentive, which will be either at the cost of taxpayers or, in the present situation, consumers. Those categories are ones that in any case largely overlap.

I want to congratulate the Minister. He has displayed a remarkable grasp of very complex issues in his period as Minister. It is a pleasure to have him before the Select Committee and to hear him on other occasions in the House. He has a real grip, and we get thoughtful and well-informed responses to the questions that we put to him. For that reason, I hope that he will remain in his job for much longer than most of his predecessors, perhaps indeed for the rest of this Parliament. That will enable the Committee to go on engaging with him and means that we can hold him to account for some of the things that he is telling us now in three and a half years' time.

I am grateful to everyone who has taken part this afternoon. I hope that we have a chance to return to these issues either on the Floor of the House or in another debate in Westminster Hall.

Question put and agreed to.

5.28 pm

Sitting adjourned.